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$1.50 a copy; $59 a year

NEWSPAPER

June 29, 1987

02019094 A00 8726 COMP 552
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Advertising Age®

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

JWT Group sold

Hefty $566M bid brings takeover victory to British newcomer WPP

By STEWART ALTER

The first hostile takeover of an advertising agency turned friendly last week when JWT Group agreed to be acquired by WPP Group.

The buyout occurred on June 26, after WPP made last-minute moves to sweeten the price, retain management—including JWT Group Chairman-CEO Don Johnston—and shelve plans to bring back JWT's ousted managers.

In a board meeting that started after dinnertime June 25 and ran into early the next morning, the directors of $4.3 billion New York-based JWT Group agreed to a tender offer of $55.50 a share, or $566 million. That price is up from WPP's previously raised offer of $50.50, and 23.3% higher than its original bid of $45 a share.

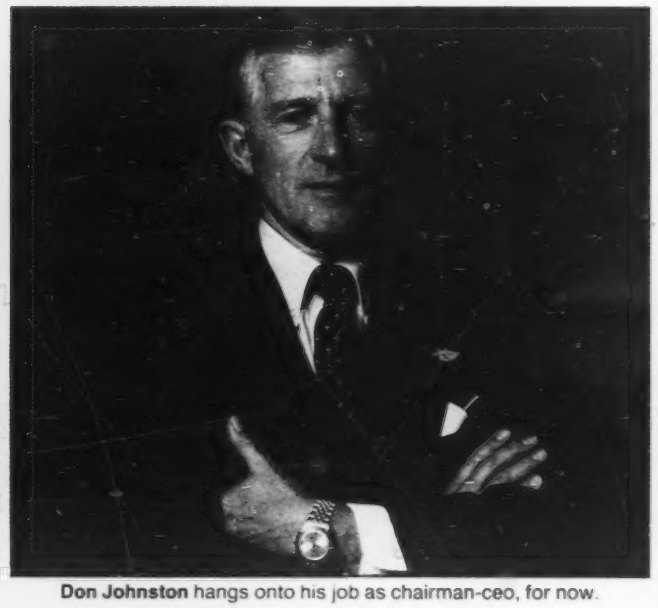
How JWT fell into takeover trap. Page 64.

Technically, the tender offer will expire at midnight July 13 unless extended. JWT shareholders still have to surrender their shares and WPP shareholders have to vote for the acquisition, but this is considered a formality.

As a result, the 123-year-old J. Walter Thompson agency—not only one of the best-known and most widely admired in the world, but a symbol of a U.S.-based global agency—will have as a new owner Martin Sorrell's London-based WPP Group.

Staff photos by Arnold Adler

Martin Sorrell succeeds in pulling off his JWT takeover.



Don Johnston hangs onto his job as chairman-ceo, for now.

This historic takeover sustained its first client fallout, however.

Goodyear Tire & Rubber Co., Akron, Ohio, immediately put up for review its estimated $30 million account. Goodyear had warned JWT and WPP that a takeover would prompt it to rethink its almost decadelong relationship with Thompson.

The buyout agreement culminates several weeks of speculation about whom was accumulating JWT's shares and sending the price up. During the 16 days of intense legal and financial maneuvering, JWT tried to enlist the Rockefeller family as a "white knight," and WPP topped a competitive bid of $55 a share in cash from an investment group led by three former executives of Ted Bates Worldwide.

WPP's move to pay more per share for JWT was expected, but the final $55.50 price raised some eyebrows on Wall Street, where the price was seen as being precariously high.

However, what was not expected was the management agreement that includes a key role for Mr. Johnston.

His decision to agree to the offer and remain chairman-ceo—at least

(Continued on Page 62)

Last Minute News

Lawrence to sell WRG

NEW YORK—Wells, Rich, Greene owner Mary Wells Lawrence agreed to sell the agency to a small group of employees within the next year, according to reliable information, ending long speculation that WRG would be sold to outsiders. WRG officials could not be reached for comment.

ComputerLand sues FCB

OAKLAND, CALIF.—ComputerLand is suing former agency Foote, Cone & Belding, San Francisco, over money advanced to the agency to pay for media. The amount involved is several million dollars, sources said. John Balousek, general manager of FCB's San Francisco office, refused comment. FCB handled the account from 1984 to 1985.

Upfront may hit $3 billion

NEW YORK—The 1987-88 network TV upfront market could reach $3 billion in sales, or 20% above reported

(Continued on Page 8)

Will it take over Ford account?

O&M exits Nissan

By CLEVELAND HORTON

Ogilvy & Mather dropped out of Nissan Motor Corp. USA's review of its $150 million-plus account, leading to speculation the agency may be in line to take the $260 million Ford account from J. Walter Thompson Co.

In a surprise move, O&M did not attend the creative briefing at the second-largest automotive importer's Gardena, Calif., headquarters June 25.

The move stunned the remaining two agencies, Chiat/Day, Los Angeles, and Tatham-Laird & Kudner, Chicago. Observers noted that O&M has been pitching the account for about five years.

Sources said O&M U.S. Chairman Graham Phillips addressed O&M's Los Angeles staff late last week to explain the reasons for the decision. The fee arrangement proposed by Nissan through its consultants—Canter, Achenbaum, Associates—was unfair, Mr. Phillips reportedly told the agency's employees.

Mr. Phillips was returning to New York at press time and couldn't be reached for comment.

Nissan expects to name its new agency July 31. William Esty Co. previously handled the account.

There may be a method to Mr. Phillips' madness. With the takeover of JWT Group by London-based WPP Group, O&M is in a strong position to snare Ford Motor Co.'s Ford division business should the automaker decide to leave JWT. O&M handles Ford's advertising in the U.K.

Meanwhile, Porsche Cars North America, another piece in the automotive domino game, is expected to make a decision this week about its relationship with Chiat/Day.

Agency sources said Chiat/Day's Los Angeles office assumes it has lost the $14 million Porsche account. The agency has offered to assist Porsche in an agency review.

O&M's departure from the Nissan competition may mean

(Continued on Page 62)

Highlights

Oatmeal war heats up 12

General Mills is declaring Total war on Quaker Oats Co.'s corner on the oatmeal market with its new one-minute "quick" Total Oatmeal. The Minneapolis-based company wants to turn Quaker to mush, and is taking the competitor head-on with similar cylindrical-shape packaging for Total Oatmeal, mimicking Quaker's decades-old container. Total Oatmeal also will be priced comparably.

Nielsen rates new meters 24

A.C. Nielsen Co. will install 200 "passive" people meters as part of a national test to start in fall 1988. If the test is successful, the new passive meter would eventually replace the system of people meters that will begin recording audience viewing behavior this fall. The people-meter system as it now exists is being criticized by the Big 3 TV networks. A key complaint is that children do not push buttons properly on the people meter, which looks and operates like a hand-held TV channel selector.

Levi signs on computer system 28

Levi's jeans will be electric blue in September. That's when San Francisco-based Levi Strauss & Co. inaugurates a video purchase system and joins Procter & Gamble Co., K mart Corp., J.C. Penney Co. and others in testing new ideas in electronic shopping. Levi will introduce by September video kiosks in 10 unidentified retail stores nationwide. Customers can view the full Levi's line of pants on the video display terminal and order their selections, which are delivered to them within two weeks. The bill is paid to the store.

Raisins to sweeten Hardee's ads 32

The popular, high-stepping California raisins are about to swing from the grapevine to the hamburger stand. Hardee's Food Systems, Rocky Mount, N.C., signed the exclusive merchandising rights in the fast-food category for the California Raisin Advisory Board's dancing raisins.

Our love affair with Fred Astaire 67

It isn't enough to say that he danced gloriously. And to take pleasure in the way he attached his debonair style and graceful voice to those marvelous movie songs. No matter who is singing oldies like "Cheek to Cheek," "Night and Day" or "They Didn't Believe Me," we always hear—and see—Fred Astaire, who died a week ago at age 88. From the beginning, about 55 years ago, Americans began falling in love with him and his movies.

How sweet it was 67

Jackie Gleason, who died June 24 at age 71, was one of the pioneers of TV comedy, but he remained a holdout in commercial endorsements until the past 10 years, when he used his trademark expressions in two major commercials.

INTERNATIONAL

Japan takes Grand Prix at Cannes festival 48

Just about anyone in advertising would agree that a cheap, fast, good commercial production is tough to get. But cheap, fast and good turned out to be the Grand Prix winner at Cannes this year. The Japanese spot, for an encyclopedia named "The Illustrated Guide to Animals," published by Heibonsha Publishing, won the top prize at the festival. The U.S., which brought back the Grand Prix the past three years, collected seven Gold Lions, 13 Silver Lions and 15 Bronze Lions.

U.S. agencies mull Eastern Europe 49

As major U.S. advertisers pierce the Iron Curtain to reach Soviet bloc nations, ad agencies are debating whether to follow suit. But agency executives still have concerns ranging from politics to finance, and, so far, Ogilvy & Mather Worldwide's office in Budapest, Hungary, is the only major U.S. agency branch in an Eastern European country.

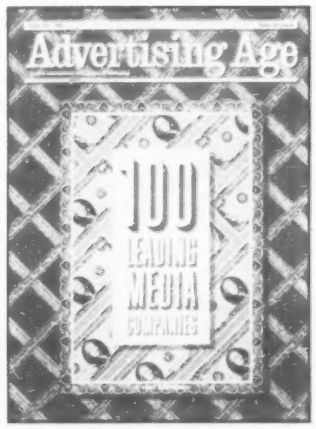
OTHER NEWS

Like a surrogate mother, American Motors Corp. is showing the press its new midsize car that likely will belong to Chrysler Corp. by the time it goes on sale in November. AMC's strategists also are plowing ahead with marketing plans for the car they have dubbed Renault Premier, though the fate of that name is uncertain because of Chrysler's pending takeover of the company. Insiders say Chrysler is expected to drop the Renault name. Page 12.

Affiliated Advertising Agencies International, a 49-year-old network of independent shops, broadened its member services by forming AAAI Media Buying Co-op. The 56 U.S. and 36 foreign members will share media research, trends information, competitive analysis, local-market information, planning and post-buy analysis as well as media buying. Page 32.

Organizers of We the People 200, Philadelphia's troubled celebration of the Constitution's bicentennial, are demanding that former chief fund-raiser Richard Rovsek return $160,000 in fees. Also, the Pennsylvania Attorney General's Office is seeking to recover all payments made to Mr. Rovsek, who quit the project last month after failing to raise any sponsor money. Page 32.

SPECIAL REPORT



Media Companies—*Acquisitions and divestitures continued to exact their toll on revenues generated by media companies, according to* Advertising Age*'s report on the 100 Leading Media Companies. This year there were nine new entries on the top 100 list, representing the largest year-to-year flux in the seven years the list has been compiled. The list ranks media companies by their 1986 media revenues. Starts after Page 36.*

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Vol. 58, No. 27—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semiweekly the fourth week in March and the first week in September at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. $1.50 a copy. $59 a year. $104 two years. Add $104 per year for air delivery to Europe & Middle East. Add $34 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 (313) 446-0494.

ABP MPA RED TAG ABC NRA

TV nets eye big increases for prime time

By VERNE GAY

New York—The Big 3 TV networks are shooting for commercial price increases of as much as 30% on 1987-88 prime-time programs, according to agency and TV industry executives.

In the first sign of how aggressive networks will be with prime-time advertisers in the people-meter era, ABC, CBS and NBC last week submitted upfront—or advance—pricing details to about a half-dozen agencies with motion-picture clients.

Several closed deals by June 26 and were believed to have paid 20%-to-25% unit cost increases.

MGM/UA Communications, via Paul Schulman Co., New York, a subsidiary of Advanswers Media Programming, reported a three-network buy late last week.

Sources said price packages going to other advertisers this week will seek similar hikes.

Earlier rate increases in the upfront children's TV market went as high as 30%.

However, the children's market is dominated by a handful of advertisers.

So far, the proposed rate applies only to movie advertisers, which typically pay the highest rates on TV and, unlike other upfront TV buyers, do not get guarantees or make-goods on ratings shortfalls.

The networks can charge movie advertisers the highest price because those advertisers have unusually specific buying parameters. For example, many scramble for high-rated Thursday night inventory to support Friday releases.

The networks reportedly want to finish deals with non-guaranteed advertisers before those expected to demand guarantees.

"The networks first will find the guys willing to do business the way they want to do it before they tackle the ones who will play hard ball," said an agency executive.

"This [the proposed price hike] is not that unusual," said an agency executive. "We get our package back from the network [with the pricing], count to a hundred, call them back and say it's not acceptable. Then we start negotiating."

The initial asking price is never the final price in network negotiations, buyers said. Typically, the

(Continued on Page 63)

Mobil may lead Fla. tax battle

By STEVEN W. COLFORD

Tallahassee, Fla.—Ad industry attorneys are urging the state Supreme Court not to answer the governor's request for an advisory opinion on the state's ad tax.

Industry leaders are trying to get Mobil Corp. or a comparable national advertiser to file suit against the tax, and lawyers are telling the high court an advisory opinion could affect lower courts.

An army of industry attorneys told the Florida Supreme Court June 22 that the tax is unconstitutional. But, they argued, the court should sit back, let the 5% tax take effect July 1, and wait for individual lawsuits on its constitutionality to filter up to its level.

The court is expected to respond to the governor's request by mid-July.

Not only is it highly irregular for the governor to seek an advisory opinion on legislation already passed, argued ad industry attorney Gregory Diskant, but it also is unfair for him to solicit such an opinion from the state's highest court and then expect lower courts to consider suits against the tax

(Continued on Page 66)

Cole & Weber wins

Diet Center switch

Rexburg, Idaho—Diet Center, which only three months ago hired Phoenix, Ariz.-based WFC Advertising to replace J. Walter Thompson USA, San Francisco, on its $6 million account (AA, March 30), reversed itself and appointed Cole & Weber, Seattle. The U.S.' largest franchisor of weight-control clinics appointed C&W without a review. Diet Center General Manager-Marketing Ted Austin said he was disappointed with the creative campaign that WFC developed for the fall and so turned to C&W, which had impressed him in the earlier competition.

Sega of America, South San Francisco, Calif., cut the list of finalists for its $7 million account to BBDO Worldwide, Los Angeles and San Francisco; Fallon McElligott, Minneapolis; and Jordan, Manning, Case, Taylor & McGrath, New York. The videogame marketer earlier fired J. Walter Thompson USA, San Francisco (AA, Feb. 16). At that time, the company said it would handle its account in-house. Woolward & Co., San Francisco, did some interim creative work; Bohbot & Cohn, New York, handled media buys.

West Coast News

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GF ad policies look lenient

By JUDANN DAGNOLI

General Foods Corp.'s major agencies, facing a cut in their client's traditional 15% commissions, are pressing for a relaxation of GF conflict policies that already are liberal by most standards.

GF's worldwide agencies—New York-based D'Arcy Masius Benton & Bowles, Grey Advertising, Ogilvy & Mather and Young & Rubicam—are planning to request greater leeway in conflict policies and more compensation for new-product work (AA, June 22).

But GF's current policies on these matters, as outlined by documents obtained by ADVERTISING AGE, are not unreasonable, and the two documents—one from 1984 and an amendment from 1985—indicate GF already has relaxed its conflict policy at least twice.

A memorandum dated Nov. 28, 1984, designated "Advertising agency relationships," delineates international conflict policies. It singles out coffee beverages and fruit beverages as GF's foundation businesses, where the strictest conflict policies apply.

A later document, dated Jan. 16, 1985, entitled "Product conflict in agencies," expands the foundation categories to five, adding ready-to-eat cereal, packaged desserts and processed meat and poultry.

Within beverages, according to the documents, Rye Brook, N.Y.-based GF considers these products direct conflicts: fruit juice and nectar products, regardless of form; concentrates; and fruit-flavor, ready-to-drink refreshment beverages, carbonated, non-carbonated, bottled and canned.

Considered indirect conflicts are mineral waters, alcoholic beverages, alcoholic beverage mixers, milks and colas.

In the '85 document, GF amended that stance to allow its shops to handle sugar-sweetened colas and carbonated beverages but not diet carbonated beverages.

Full-strength juices, the documents say, are not direct conflicts, but "the agency assigned Kool-Aid ought not to be allowed to handle a product" in juice or sugar-sweetened carbonated beverages. Grey handles Kool-Aid.

Coffee conflicts are determined geographically, according to the documents.

An agency handling a GF coffee in Europe may not accept coffee assignments from GF competitors in that continent.

GF's main coffee agency, for flagship Maxwell House, is O&M. DMB&B handles Yuban and Brim; Y&R handles Sanka.

GF's meals division—Birds Eye, Minute Rice, Open Pit, Shake 'n Bake and Stove Top—has a less clear-cut policy.

Categories where the shops are advised to consult GF before accepting business include starches, vegetables, coatings/sauces, dressings and convenience meals.

Compensation, according to the documents, is 15% of gross media payments or a 15% service charge on net non-media payments. GF also compensates its agencies with cost plus 25%—or a flat fee—for design and sales-brochure work.

The agencies also are "expected to contribute to the cost of creative research, usually at the rate of half of 1% of billings."

As for product-development work, GF pays its agencies "a fee not to exceed full cost plus a profit of 25%," the documents say. Only during the "advanced development stage"—defined in the documents as the "point which product formulation, general marketing strategy and introductory timing are known"—is the new product formally assigned to a GF agency.

After assignment, the agency is paid commission during the first year. In the second year, "agency costs of servicing the brand that are not offset by test-market or regional commissions may be offset by fees," the documents state, set at a maximum of $30,000.#

CORRECTIONS & CLARIFICATIONS

- In the decision by the National Advertising Division of the Council of Better Business Bureaus involving Warner-Lambert Co.'s Trident sugarless gum (AA, June 15, P. 24), the company said it would employ qualified promises to advertise the gum's cavity-reduction properties, not that it would refrain from using cavity-reduction claims entirely.
- In the credits for the Global Gallery item for Ken-L Ration Tender Chops (AA, June 8, P. 56), the name of Debbie Nightingale as copywriter was omitted by the agency.
- The International Advertising Festival, New York, said its 73 gold awards for print included 14 for outdoor, rather than 14 additional prizes, as reported (AA, June 22, P. 88).
- Burke Promotional Marketing, Chicago, is one of the finalists for Sales Promotion Agency of the Year. The agency was misidentified earlier as Burke Creative Merchandising (AA, June 22, P. 88).#

Media errors

At press time, two errors were found in the 100 Leading Media Companies report in this issue of ADVERTISING AGE:

- **Cox Enterprises is mistakenly referred to as Cox Communications.**
- **Capital Cities/ABC's total media revenues should be listed as $4,124.4 million in the table on Page S-8.#**

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They know ESPN is where they can find CFA College Football, Top Rank Boxing, NHL Hockey, College Basketball and more. This season we've even got TV's ultimate weekly drama series: NFL Sunday Night Football.

And smart advertisers know ESPN is where they can find men who buy 22% more life insurance, 35% more telecommunications equipment and who take 35% more business trips than the national norm.* Which proves just how above average our average viewer is.

Without ESPN, you're underdelivering this very attractive audience. But you can reach them effectively—for a much lower CPM than the networks—by placing a mere 10% of your sports budget with us. You'll see results so dramatic they could change the way you spend your ad dollars from now on. After all, if you're still trying to reach upscale men through the likes of "Knots Landing," you just might be missing the boat.

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June 29, 1987 Special Issue

Advertising Age

Crain's International Newspaper of Marketing

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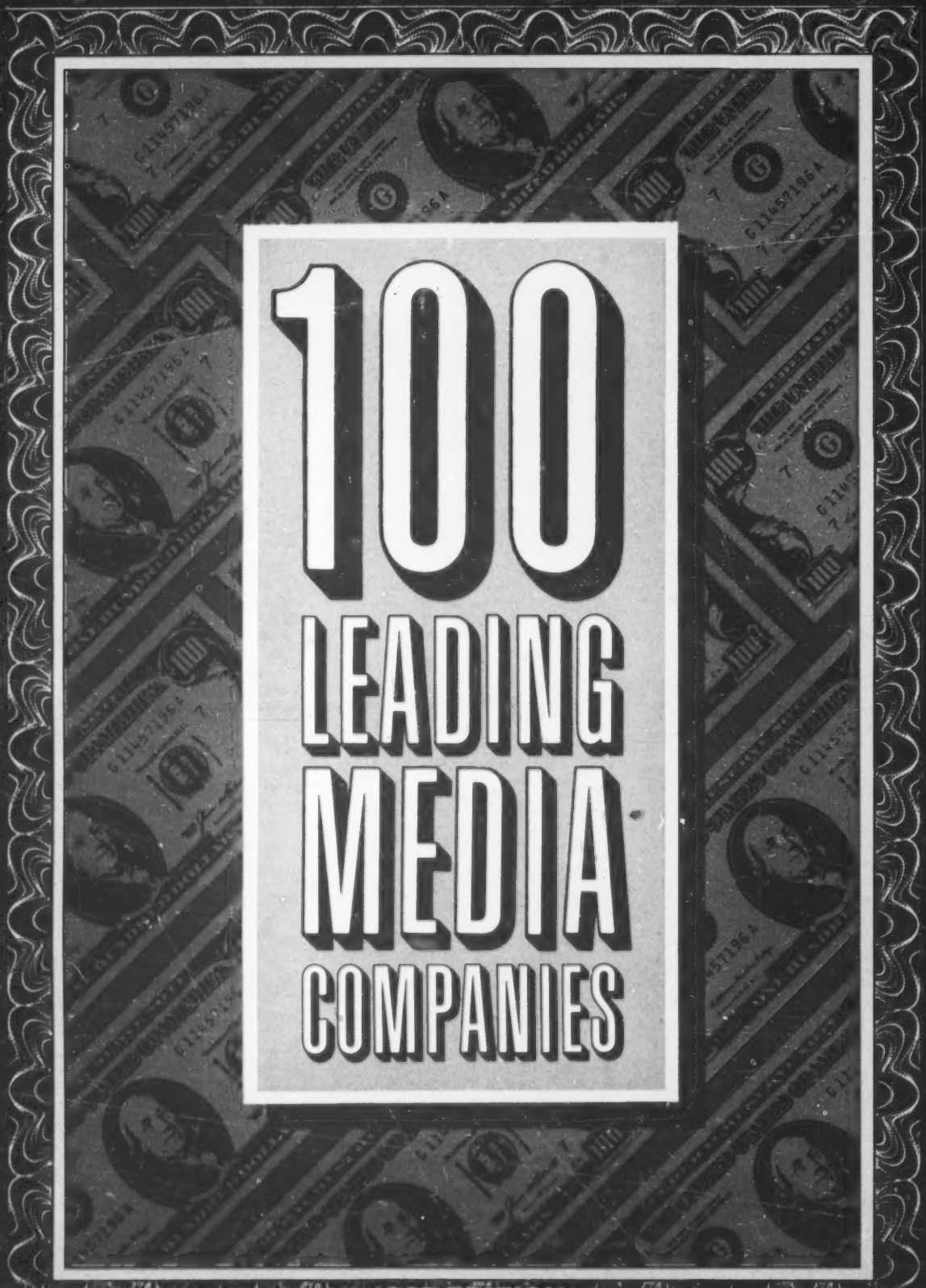

100 LEADING MEDIA COMPANIES

1987 EDITION

Sales surge 11% for media giants

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By R. CRAIG ENDICOTT

The nation's 100 leading media companies continued to show strong revenue growth and exceptional profitability in 1986 in spite of a soft national advertising market.

The AD AGE 100, selected annually on the basis of net revenues, grew 11.1% in media-only sales to $58.4 billion in 1986 over 1985. The same companies reported total sales of $122.1 billion, up 13.4%, for a 20% year-to-year growth rate. That profitability largely could be attributed to media divisions of the 100, because some $47.4 billion of the spread between media and total revenues came from two basically non-media companies: No. 4 General Electric Co. and No. 20 Westinghouse Electric Corp.

Acquisitions continued to dramatically reshape the industry. About 400 media properties were bought and sold by the 100 media companies. Ten companies from the 1985 list underwent ownership changes, and the sale of two more on the 1986 list is pending. From the 1985 list, RCA Corp. (NBC) went to General Electric; American Broadcasting Corp. merged with Capital Cities Communications to form No. 1 Capital Cities/ABC; and No. 18, Viacom International, was sold to National Amusements. John Blair & Co. was split apart, putting No. 28 Advo-System and No. 61 Quad/Graphics on the list. A.S. Abell was sold to No. 6 Times Mirror Co., Houston Chronicle Publishing went to No. 12 Hearst Corp., McCall Publishing Co. evolved into a joint venture, No. 77 Working Woman/McCall's, Rollins Inc. was sold to No. 100 Heritage Communications, Winston Network was sold to management and became No. 98 American Media Network, and GFV was bought by No. 45 Consolidated Press Holdings, Sydney, Australia.

Other additions to this year's list include No. 57 Chicago Sun-Times Co. by virtue of its purchase by its publisher from Rupert Murdoch's News Corp. Ltd.; No. 63 Product Movers, which experienced a 33% growth in revenues; and No. 78 Home Shopping Network, which saw its revenues jump to $160.2 million overnight as the network fed the tele-merchandising crazed marketplace.

Properties bought in late 1986 or early 1987 from the 100 leading media companies will ensure ascent to the list in 1987 of TVX Broadcast Group, Virginia Beach, Va., Cooke Media Group, Middleburg, Va., and Gillett Holdings, Nashville, Tenn.

Sure to be absent next year from the 100 list is No. 100 Heritage Communications, whose returns will be folded into prospective parent No. 23 Tele-Communications Inc. RKO General, No. 55, is on the block to help its parent company, Gencorp, pay off the debt incurred in fighting off an unwanted suitor.

Newspapers, the largest contributor in sales in accounting for 36% of the 100's total media, grew to $21.4 billion in 1986, up 10.7%. Newspapers began to emulate cable in clustering. No. 10 Tribune Co. and No. 17 Scripps Howard swapped community papers in a six-county area of west-central Florida to maximize operations around larger dailies.

Evening newspapers continued to take it on the chin. Times Publishing Co., No. 69, closed its St. Petersburg (Fla.) *Evening Independent*; No. 47 Landmark Communications shut down the afternoon edition of its *Greensboro* (N.C.) *News & Record*; and Knight-Ridder, No. 9, continued its conversion policy, switching four more evening papers to morning editions.

Heavy buying of leading dailies has slowed as the number of available properties has diminished. The big media companies are now emptying their pockets on weeklies, often with intent to increase frequency. Major dailies did change hands, though, led by two papers from economically-depressed Texas—the *Dallas Times Herald*, sold by Times Mirror to No. 37 Media News Group, and *Houston Chronicle*, sold by Houston Endowment to Hearst Corp.

Newspaper divisional revenue declines were recorded by No. 24 Harte-Hanks Communications, No. 26 Opubco and No. 93 Allbritton Communications, as the result of divestitures, and by No. 51 Maclean Hunter Ltd. (the *Houston Post*) as a result of the depressed Houston market.

Broadcast (TV and radio) claimed a 9.2% year-to-year growth with $15.5 billion in revenues for the 100, although as a percentage of total media sales, broadcast dropped from 27% in 1985 to 26.5% in 1986.

Contributing to the drop were reduced revenues from Times Mirror, No. 22 Kohlberg Kravis Roberts & Co., No. 46 McClatchy Newspapers, No. 48 Taft Broadcasting Co., No. 50 Donrey Media Group and No. 60 Providence Journal Co.

Only prime-time ratings leader NBC fared well among the three networks. ABC and CBS even did the unmentionable in cutting ad rates for prime-time commercials.

However, CBS's President-CEO Laurence Tisch expects a healthy year for the Big 3 in 1987, predicting advertisers will pay at least 6%-to-8% more for upfront ad time. Other than a poor national ad climate, the networks themselves were the object of buyouts that ultimately brought on wholesale changes in their executive suites and budget slicing, including major layoffs.

Magazines were the poorest performing media group. There were 41 magazine companies or segments contributing to the 6.4% growth in magazine revenue to $9.5 billion in 1986. Magazines as a rule have been down for several years, particularly the trade press, newsweeklies and general interest titles.

Strapped with revenue losses in their magazine properties were No. 14 Washington Post Co. (Newsweek); No. 25 International Thomson Organisation; No. 27 Readers Digest Assn.; No. 59 National Geographic Society; No. 72 Playboy Enterprises; and No. 83 U.S. News & World Report.

A combination of this slump and new direction at No. 59 Working Woman/McCall's led to the highly controversial move by *McCall's* to open its ad page rate to negotiation, reflecting the "open" TV-style of buying advertising and mocking the rate-breaking practices of Seven Sisters titles. Prior to its decision, McCall's, of all the Sisters, was most often singled out as the major violator of the rate-card buying structure.

Cable deregulation in the U.S. and Canada during 1987 will give cable companies a larger revenue stream. Cable operators have wasted no time in hiking their rates. No. 90 Rogers Communications already has boosted rates up to 23% in most of its U.S. systems. Media General, No. 35, boosted rates 22% at its Fairfax cable system serving 140,000 basically affluent subscribers in Washington-area bedroom communities that already pay an average of $32 per month for service. There has been no apparent drop-off in subscribers, either. The industry theorizes that higher rates for basic will influence greater subscriptions for pay, because in narrowing the differential, pay will "seem" less expensive.

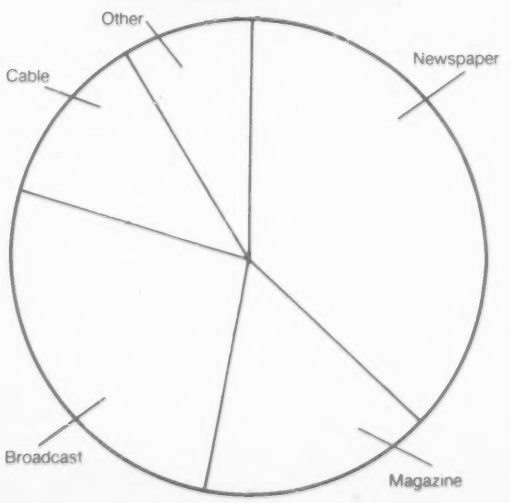
Of the individual media tracked in this issue, cable had the largest year-to-year growth of 14.9% to $6.9 billion among the 100. Cable accounted for 11.7% of total media dollars in 1986. In 1985, it took 11.4% of the total.#

Composite revenues for 100 leading media companies

Totals	Corporate totals 1986	1985	% chg	Sales % media* 1986	1985	% chg
Media revenues	$58.4	$52.5	11.1			
Total revenues	122.1	107.7	13.4			
Net income	8.3	6.9	20.0			
Newspaper revenues	21.4	19.3	10.7	36.6	36.7	(0.4)
Magazines revenues	9.5	8.9	6.4	16.4	17	(4.2)
Broadcast revenues	15.5	14.2	9.2	26.5	27.0	(1.7)
Cable revenues	6.9	6.0	14.9	11.7	11.4	3.4
Other media revenues	5.2	4.2	24.3	8.9	8.0	11.9

NOTES: Dollars in billions.
* Sales taken as % of total media sales for 100 leading media companies.

Revenues by media as % of $58.4 billion



ABC

ABC's woes even included its sitcom "Moonlighting." The highest rated hour among adults 18-49, it suffered production delays that forced earlier than usual re-runs.

McCall's
LOVEBUSTERS: 6 Ways You Can Wreck Your Romance
THE NEW FACES OF FATHERHOOD: A Special Report
WOMAN
BUILDING YOUR POWER STYLE
SUCCESS SECRETS OF TOP MANAGERS
HOW TO SPOT A BOTTOM JOB BEFORE YOU'RE HIRED
THE TIMESAVING KITCHEN: LESS WORK, MORE FUN
NOW YOU CAN MAKE MONEY IN GOOD TIMES AND BAD

Magazine entrepreneur Dale Lang set the magazine industry on its ear by announcing this September *McCall's* would begin negotiating rates. Its fast-growing sister publication, *Working Woman*, will hold to its rate card, however.

Knight-Ridder used Pulitzer Prize material from a photo essay by *Philadelphia Inquirer* photographer Tom Gralish to promote itself in 1986. Beber Silverstein handled.

The top 50 companies

RANK **7**

Advance Publications

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	2,200.0	2,030.0	8.4
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A

Sales by media	1986	1985	% chg
Newspaper	1,470.0	1,350.0	8.9
Magazine	544.0	510.0	6.7
Broadcast	—	—	—
Cable	186.0	170.0	9.4
Other	—	—	—

Media revenues at Advance Publications, which grew to $2.2 billion in 1986, up 8.3% according to ADVERTISING AGE estimates, largely reflect the acquisition of the *Trenton Times*, a 65,000-circulation daily newspaper in New Jersey's capital city and a 6.5% overall increase in revenues across the company's holdings.

Advance is a tightly held, extremely private enterprise controlled by the two sons of the late Samuel I. Newhouse, Donald and S.I. Jr. Its primary revenue generator is newspaper publishing, which accounts for an estimated $1.47 billion in revenues. Magazines account for about $544 million and cable, an estimated $186 million.

The acquisition of the *Trenton Times* from Allbritton Communications for an estimated $40 million to $50 million—about its annual gross, analysts estimate—put Advance in a hotly contested battle with Ralph Ingersoll's tabloid *Trentonian*. Advance already has a strong presence in New Jersey, owning the Newark *Star Ledger*, the state's largest paper.

As June began, a grand jury was still investigating allegations that Advance illegally conspired with Cleveland industrialist Joseph Cole to create a monopoly by shutting down Mr. Cole's *Cleveland Press* and sell its distribution list to Advance's *Cleveland Plain Dealer*. The grand jury empaneled to probe the allegations was slated to be disbanded at the end of June.

Another legal matter, the settlement of the estate of the late S.I. Newhouse still is pending. In that case, the IRS claims the family owes $914 million in estate taxes; the family claims its liability is only $47 million. The parties agreed early this month to settle out of court.

In Advance's magazine division, Conde Nast Publications took on a new leader and a new title in 1986-early 87. The leader is Bernard Leser, who previously had run the company's British subsidiary. He succeeded Robert Lapham as president of the group. The new title was *Signature*, acquired from Citicorp/Diners Club. In September 1987, the old *Signature* was scheduled to reappear as *Conde Nast's Traveler*, which analysts presumed would develop synergies with the "Fodor Travel Guides," which are owned by another Advance company, Random House.

It appears that *The New Yorker* has achieved more stability under Newhouse ownership than it had before its sale to the brothers in May 1985. *The New Yorker* ended 1986 with a 10.5% drop in ad pages to 2,683 and a 12.1% drop in ad revenues to $46.4 million. That contrasts with losses of 15% and 12.4%, respectively, in 1985, while circulation climbed 10.7% to 560,000, according to yearend 1986 figures reported to ABC.

At *Parade*, Advance's newspaper-distributed Sunday magazine, ad pages were off 2.1% to 643 while revenues climbed 5.5% to $198.4 million and circulation rose 2% to an all-time high of 31.4 million. In early 1987, *Parade* sold its rotogravure printing unit, Diversified Printing Corp., to British publishing magnate Robert Maxwell for an undisclosed sum. Gannett Co. precipitated the sale when it notification Advance it would terminate its contract for the printing of *USA Weekend*, its Sunday newspaper magazine, when the current contract expired in 1988.

Of the Ad Age 100 leading media companies, newspapers accounted for 36.6% of total media sales of $58.4 billion in 1986, and broadcast, 26.5%, but both were slightly down from their percentage of total media of the 100 in 1985. Cable, which contributed 11.7% of total media revenues, showed the strongest year-to-year growth among monitored media of 14.9%.

NEWHOUSE NEWSPAPERS
Newark, N.J. *Star-Ledger*
Star-Ledger Plaza
Newark, N.J. 07101
(201) 877-4141

Corporate Personnel

Donald Newhouse, president

Conde Nast Publications
350 Madison Ave.
New York, N.Y. 10017
(212) 880-8800

Corporate Personnel

S. I. Newhouse, chmn-ceo
Bernard Leser, president

The New Yorker
25 W. 43rd St.
New York, N.Y. 10036
(212) 840-3800

Corporate Personnel

Steve Florio, president, publisher

MEDIA PROPERTIES

Cable/Video

Metrovision—ILLINOIS: Blue Island, Berwyn, Crestwood, Hickory Hills (90% interest), Melrose Park, Midlothian, Northlake, Palos Hills, Posen, Stickney, Tinley Park, Westhaven. INDIANA: Portage. KENTUCKY: Newport. LOUISIANA: St. John the Baptist Parish. NEBRASKA: Auburn, Crete, David City, Fairbury, Fremont, Humbolt, Lincoln, Nebraska City, Pawnee City, Seward, Superior, Table Rock, Tecumseh, York. OHIO: Green Township. TEXAS: Belton, Belmead, Beverly Hills, Greenville, Killeen, Lacey-Lakeview, Robinson, North Weedway, Temple, Waco. WISCONSIN: Lannon (90% interest), Menomonee Falls. WYOMING: Sheridan. New Channels Corp.—ALABAMA: Anniston, Eufala, Greenville, Wetumptka. NEW YORK: Binghamton, Carthage, Cooperstown, Corning, Delhi, Fulton, Malone, Massena, Ogdensberg, Oenonta, Potsdam, Rome, Sidney, Syracuse, Troy. PENNSYLVANIA: Canonsburg, Coraopolis, Crescent Township, Moon Township, Neville Township. Vision Cable Communications—FLORIDA: Clearwater (90% owned), Kenneth City, Pinellas Park. LOUISIANA: Alexandria, Houman. NEW JERSEY: Fort Lee. NORTH CAROLINA: Albemarle, Concord, Jacksonville, Morehead City, Salisbury, Shelby, Southport, Wilmington. PENNSYLVANIA: DuBois. SOUTH CAROLINA: Darlington, Florence, Sumter.

Magazines

Conde Nast Publications: *Bride's, Conde Nast's Traveler, Glamour, Gourmet, Gentlemen's Quarterly, House & Garden, Mademoiselle, Self, Vanity Fair, Vogue.* Other: *The New Yorker, Parade.*

Newspapers

ALABAMA: *Birmingham News & Post-Herald, Huntsville Times, Huntsville News, Mobile Press, Mobile Register.* LOUISIANA: *New Orleans Times-Picayune/States-Item.* MASSACHUSETTS: *Sprinfield Republican, Springfiled Union News.* MICHIGAN: Booth Newspapers, including *Ann Arbor News, Bay City Times, Flint Journal, Grand Rapids Press, Jackson Citizen Patriot, Kalamazoo Gazette, Muskegon Chronicle, Saginaw News.* MISSISSIPPI: *Pascagoula Press & Chronicle.* NEW JERSEY: *Jersey Journal, Newark Star-Ledger, Trenton Times.* NEW YORK: *Staten Island Advance, Syracuse Herald-Journal, Syracuse Post-Standard.* OHIO: *Cleveland Plain Dealer.* OREGON: *Portland Oregonian.* PENNSYLVANIA: *Harrisburg Patriot-News.*

100 leading media companies

Rank	Company	Media revenues
1	Capital Cities/ABC	$4,124.4
2	CBS Inc.	3,224.0
3	Time Inc.	3,099.0
4	General Electric Co.	2,965.0
5	Gannett Co.	2,727.0
6	Times Mirror Co.	2,245.0
7	Advance Publications	2,200.0
8	Dun & Bradstreet Corp.	1,932.0
9	Knight-Ridder Newspapers	1,879.6
10	Tribune Co.	1,775.7
11	New York Times Co.	1,564.7
12	Hearst Corp.	1,529.0
13	Cox Communications	1,465.3
14	Washington Post Co.	1,162.0
15	McGraw-Hill	1,089.1
16	Dow Jones & Co.	1,078.0
17	Scripps Howard	1,062.0
18	Viacom International	855.0
19	News Corp. Ltd.	841.3
20	Westinghouse Electric Corp.	839.0
21	Triangle Publications	730.0
22	Kohlberg Kravis Roberts & Co.	664.9
23	TCI	645.7
24	Harte-Hanks Communications	575.0
25	Int'l Thomson Organisation	549.0
26	Opubco	500.0
27	Reader's Digest Assn.	486.0
28	Advo-System	467.1
29	Thomson Newspapers	412.0
30	Central Newspapers	407.0
31	Affiliated Publications	399.0
32	A.H. Belo Corp.	397.2
33	Continental Cablevision	392.0
34	Meredith Corp.	390.7
35	Media General	$381.0
36	Turner Broadcasting System	379.4
37	Media News Group	375.0
38	Multimedia Inc.	372.0
39	Ingersoll Publications	370.0
40	Warner Communications	360.0
41	Freedom Newspapers	357.0
42	Morris Communications	349.0
43	Copley Newspapers	330.0
44	Pulitzer Publishing Co.	329.0
45	Consolidated Press Holdings	325.0
46	McClatchy Newspapers	310.0
47	Landmark Communications	290.0
48	Taft Broadcasting Co.	281.1
49	Chronicle Publishing Co.	275.0
50	Donrey Media Group	275.0
51	Maclean Hunter Ltd.	270.1
52	Cahners Publishing Co.	267.0
53	Cowles Media Co.	256.8
54	International Data Group	250.0
55	RKO General	239.0
56	Journal Communications	228.7
57	Chicago Sun-Times Co.	225.0
58	Patrick Media Group	220.0
59	National Geographic Society	219.0
60	Providence Journal Co.	208.0
61	Quad/Graphics	205.0
62	Lee Enterprises	203.3
63	Product Movers	200.0
64	Chris-Craft Industries	199.8
65	3M	197.0
66	United Cable Television Corp.	195.8
67	Blade Communications	189.0
68	Howard Publications	185.0
69	Times Publishing Co.	$184.0
70	Seattle Times	175.0
71	Ziff Communications	175.0
72	Playboy Enterprises	168.0
73	Sammons Communications	167.0
74	Dispatch Printing Co.	165.5
75	Harcourt Brace Jovanovich	164.8
76	National Enquirer	164.0
77	Working Woman-McCalls	164.0
78	Home Shopping Network	160.2
79	LIN Broadcasting	154.0
80	Macromedia Inc.	152.0
81	Cablevision Systems Corp.	150.8
82	Petersen Publishing Co.	143.9
83	U.S. News & World Report	140.4
84	TeleCable Corp.	137.0
85	Times Journal Co.	136.0
86	Penthouse International	135.6
87	Hubbard Broadcasting	135.0
88	Bonneville International Corp.	131.0
89	Park Communications	126.6
90	Rogers Communications	125.0
91	Forbes Inc.	120.0
92	Crain Communications	117.9
93	Allbritton Communications	115.0
94	Berkshire Hathaway	114.0
95	H&C Communications	114.0
96	Stauffer Communications	112.4
97	Knapp Communications	107.0
98	American Media Network	105.0
99	Pittway Corp.	101.4
100	Heritage Communications	100.1

NOTE: Dollars in millions

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S-33 Howard Publications
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S-33 International Data Group
S-22 International Thomson Organisation
S-33 Journal Communications
S-33 Knapp Communications
S-22 Knight-Ridder Newspapers
S-23 Kohlberg Kravis Roberts & Co.
S-23 Landmark Communications
S-33 Lee Enterprises
S-33 LIN Broadcasting
S-33 Maclean Hunter Ltd.
S-33 Macromedia Inc.
S-24 McClatchy Newspapers
S-24 McGraw-Hill
S-24 Media General
S-25 Media News Group
S-25 Meredith Corp.
S-25 Morris Communications
S-26 Multimedia Inc.
S-33 National Enquirer
S-33 National Geographic Society
S-26 New York Times Co.
S-26 News Corp. Ltd.
S-27 Opubco
S-34 Park Communications
S-34 Patrick Media Group
S-34 Penthouse International
S-34 Petersen Publishing Co.
S-34 Pittway Corp.
S-34 Playboy Enterprises
S-34 Product Movers
S-34 Providence Journal Co.
S-27 Pulitzer Publishing Co.
S-34 Quad/Graphics
S-27 Reader's Digest Assn.
S-34 RKO General
S-34 Rogers Communications
S-34 Sammons Communications
S-27 Scripps Howard
S-34 Seattle Times Co.
S-34 Stauffer Communications
S-28 Taft Broadcasting Co.
S-36 TeleCable Corp.
S-28 Tele-Communications Inc.
S-28 Thomson Newspapers Ltd.
S-36 3M
S-29 Time Inc.
S-36 Times Journal Co.
S-29 Times Mirror Co.
S-36 Times Publishing Co.
S-30 Triangle Publications
S-30 Tribune Co.
S-30 Turner Broadcasting Systems
S-36 United Cable Television
S-36 U.S. News & World Report
S-30 Viacom International
S-31 Warner Communications
S-31 Washington Post Co.
S-31 Westinghouse Electric Corp.
S-36 Working Woman-McCall's Group
S-36 Ziff Communications

Other media operations
Eastern Microwave (common carrier).
OTHER OPERATIONS
Random House, Alfred A. Knopf Inc., Ballantine Books, Vintage Books, Modern Library.

RANK **28**

Advo-System

Windsor, Conn.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	467.1	443.5	5.3
Total sales	467.1	443.5	5.3
Net income	(44.9)	(17.5)	(156.6)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	—	—
Dir. mail/FSI	467.1	443.5	5.3

A top Advo-System executive says the "worst is behind and the strong potential is beginning to be realized" at Advo, based in Windsor, Conn.

In mid-1983, Advo developed a joint venture with John Blair called Network Mail (now called Mail Box Values). Within months, Blair purchased Advo and began to build the business. Blair's impatience, however, was costly. Although Advo's Shared Mail concept—marrying various ad pieces into a single packet for distribution via third-class mail—was a sound one (it reached 23 million households weekly in 1983), growth was gradual.

Blair forced the pace—increasing its shared mailings to nearly 50 million households weekly and sending out its Network Mail about every other week. Blair paid for all this—about $100 million (including a $35 million purchase price for Advo); and quickly accumulated losses of more than $50 million. Competition from other FSI publishers was stiff. Growth proved artificial and too rapid.

Last year, after turning down an offer of only $100,000 for Advo, Blair sold 28% of the equity in Advo to Warburg Pincus, which obtained voting control. When, a few weeks later, Reliance Capital bought Blair *sans* Advo, the remainder of Advo was distributed to Blair shareholders as a special dividend. Since last fall, Advo has been a publicly traded company.

During 1986, Advo had a year-to-year growth of 5.3% in revenue to $467.1 million. It lost $44.9 million after-taxes because of a $75.2 million one-time goodwill writeoff.

New management at Advo may realize its potential. In late 1984, Hugh R. Beath was appointed Blair's chief operating officer. He began paying more attention to Advo, which led to restructuring in 1985, though with little financial results. He took over the presidency in February 1986, and quickly began reorganizing the company. He reduced employees, pulled out of certain markets and instituted a salary freeze.

Simultaneously, division presidents were named to each of four geographically localized divisions, each representing about $160 million in revenues, which put operating and profit responsibilities lower in the organization to make Advo more responsive to local market conditions.The theory was that despite being a national organization, Advo needed to be close to local markets.

The result: In 1986, Advo made almost $10 million. This year Advo is "expanding selectively again, going back into certain markets that show potential, and signing up new customers." It made nearly $4 million in the quarter ending in December and about $2 million in the quarter ending in March.

Advo's 22,000 customers can use the company's assistance in designing ads, pulling and targeting appropriate ZIP codes and coordinating printing. Advo claims it can achieve 98% penetration of homes in a designated trading area.

The company has two basic programs. Solo Mail covers about 1.5 billion catalogs and other specialty mailings sent out yearly; and Shared Mail, the increasingly popular combination of ads from several customers in one package, in the form of either an FSI or individual ad.

ADVO-SYSTEM
One Univac Lane
Windsor, Conn. 06095-2688
(203) 285-6100
Corporate Personnel
Hugh R. Beath, chmn, president-ceo
MEDIA PROPERTIES
ADVO-System.

RANK **31**

Affiliated Publications

Boston

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	399.0	349.4	14.2
Total sales	401.1	350.7	14.4
Net income	66.1	31.0	113.5
Sales by media	**1986**	**1985**	**% chg**
Newspaper	399.0	349.4	14.2
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	—	—
Other	—	—	—

Affiliated Publications, Boston, dropped its radio broadcasting and cable TV businesses and picked up a magazine publisher during 1986. Affiliated also recorded record revenue and net income, saw its stock split two for one—a little more than a year after a three-for-two split—and began trading on the New York Stock Exchange.

Affiliated Broadcasting was sold Dec. 2 to EZ Communications, Fairfax, Va., for $65.5 million. The division, characterized financially as static in revenues and profits, had been a minor contributor to Affiliated. The company sold the operation to "expand into cellular telephone and paging," says Daniel Orr, Affiliated VP, noting the sale of its cable TV operations was done for the same reason.

The company bailed out of cable TV when McCaw Communications Cos., in which Affiliated has a 45% interest, sold all its 46 cable systems, effective Dec. 20, 1986, to Jack Kent Cooke for $755 million.

Through the McCaw venture, the company agreed to purchase the cellular telephone interests of Charisma Communications Corp. and Maxcell/Telecom Plus for $158 million, and all the cellular licenses and paging systems of MCI Communications Corp. for $120 million. These purchases will make McCaw one of the largest cellular telephone operators in the country.

Affiliated's first priority remains newspapers, specifically the *Boston Globe*. To that end, the company made offers but no buys last year. "We are looking at papers with 40,000 to 50,000 in circulation or more," says Mr. Orr, although Affiliated made a bid to purchase the employee-owned Journal Communications, Milwaukee, for a reported $626 million. It was rejected.

Affiliated's strategic plan places cellular telephone second in emphasis followed by cable.

Affiliated's fourth strategic priority is magazines. Affiliated purchased Billboard Publications on April 30, 1987, for $100 million. As part of the deal, several members of Billboard's management bought a combined 10% equity in Billboard. The acquisition gives Affiliated an instant stable of successful publications including eight magazines and 15 specialty publications. Billboard's leading publications are *Amusement Business, Backstage, Billboard, Interiors, Music & Media* and *Photo Weekly*.

Affiliated revenues from all operations in 1986 increased 14.4% to $401.1 million. Operating income was $85.6 million, a 32.4% improvement over 1985 credited to a 9.1% increase in ad volume, an average 7.5% hike in ad rates and moderate increases in newsprint and labor costs.

The *Boston Globe* continued to generate the revenue and profits at Affiliated. Advertising revenue for 1986 jumped to $328.3 million, up 17.2% from the year before. Circulation revenue showed a modest 2% gain to $70 million because of selective price increases.

The ABC FAS-FAX report for average circulation at March 31, 1987, reported the daily *Globe* at 500,106, down 2.7% from year earlier figures, and 798,118 for Sunday, down 1.6%. Ad linage for the year increased 9.8% to 4.5 million inches for Sunday and daily combined.

The *Globe* is relishing the situation at its crosstown rival, the feisty *Herald*. Rupert Murdoch's News America must sell the *Herald* because of a cross-ownership conflict that arose when Mr. Murdoch acquired local TV station WXNE-TV for his Fox Broadcasting Network.

Under Mr. Murdoch, the *Herald* made significant gains and was a constant thorn to the *Globe*. "We love competition. We hope there will always be two newspapers here," says Mr. Orr. On the cellular telephone side, Affiliated in August began operating a 50/50 joint venture with McCaw, called Affiliated McCaw Personal Communications, which also is involved in the radio common carrier or paging business. Apart from the 50/50 venture, McCaw Communications Cos., 45% owned by Affiliated, has cellular operations in 23 markets and paging systems in seven states.

McCaw operations showed net losses for the year. Affiliated McCaw joint venture had revenues of $11.2 million, and a net loss of $10.5 million for the five months of its existence in 1986. McCaw Communications had full-year revenues of $63.3 million and a net loss of $62.9 million. Affiliated does not report its percentage of revenues from either its joint venture or minority ownership position in McCaw but shows its participation in both on the income side.

AFFILIATED PUBLICATIONS
135 Morrissey Blvd.
Boston, Mass. 02107-2378
(617) 929-3300
Corporate Personnel
William O. Taylor, chmn-ceo, dir
Globe Newspaper Co.
135 Morrissey Blvd.
Boston, Mass. 02107-2378
(617) 929-2000
Corporate Personnel
William O. Taylor, chmn-publisher
Billboard Publications
1515 Broadway
New York, N.Y. 10036
(212) 764-7300
Corporate Personnel
Jerry Hobbs, president
MEDIA PROPERTIES
Magazines
Billboard Publications—*Billboard, Music & Media, Backstage, Interiors, Photo Business, Amusement Business, Musician, American Artist*. Directories—*Amusement Business Directory, Amusement Rides & Games Buyers Guide, Audio/Video Tape Source Book, Cavalcade of Arts and Attractions, Country Music Source Book, Directory of North American Fairs, Facility Supplies Source Book, Funparks Directory, International Recording Studio & Equipment Directory, International Talent & Touring Directory, Trade Show & Convention Guide, World Radio TV Handbook*.
Newspaper
Boston Globe.
OTHER OPERATIONS
Photography Book Club, American Artist Book Club, Billboard Information Network (on-line data base), McCaw Communication's (45% owned), Affiliated/McCaw Personal Communications, Globe Pequot Press, Auburn Press, Cellular radio telephones, Watson-Guptill Publications (imprints)—Watson-Guptill, Whitney Library of Design, Amphoto, Billboard Books.

Bonneville PSAs up

Bonneville Media Communications, the full-service agency arm of Bonneville International specializing in public service accounts, gained American Library Assn. and Salvation Army in 1986. A new anti-drug campaign featuring basketball superstar Julius Erving of the Philadelphia 76'ers has gone to the top 75 markets and networks. Bonneville's largest and long-time client, the Church of the Latter Day Saints, made a greater commitment to paid media in 1986, with campaigns in 30 of the top 100 markets.

RANK **32**

A.H. Belo Corp.

Dallas

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	397.2	385.2	3.1
Total sales	397.2	385.2	3.1
Net income	20.3	23.8	(14.7)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	221.6	221.3	0.1
Magazine	—	—	—
Broadcast	175.6	163.9	7.1
Cable	—	—	—
Other	—	—	—

Geographic factors affected A.H. Belo Corp. earnings in 1986, which dropped 11.3% from 1985 to $20.3 million on a 3% growth in revenues to $397 million. All of its newspaper holdings, including its flagship paper, the *Dallas Morning News*, are in the economically depressed Dallas-Fort Worth area as is one of its five TV stations. Two other TV properties are in Houston and Tulsa, cities even harder hit by the downturn in oil prices.

The company showed a one-time loss of $12.8 million related to debt retirement. That was offset by the positive impact of a major debt restructuring program and the Dec. 31, 1986, sale of its two Dallas radio stations, KRQX-AM and KZEW-FM, for $20 million to Tampa-based Anchor Media Ltd.

In April 1987, Belo announced an agreement to sell its two remaining radio stations, KOA-AM and KOAQ-FM in Denver, to Jacor Communications for $24 million. Officials say the move to consolidate holdings in newspapers and TV is an effort to concentrate in the most successful areas.

In the newspaper arena, ad revenues at the *News* remained flat in 1986, staying at the $191 million level of 1985. But the *News* continues to lead rival *Dallas Times Herald* in circulation and advertising share. During the year, the *News* won a victory of sorts when Times Mirror Co. of Los Angeles ended a 15-year fight with the *News* for dominance in the Dallas-Fort Worth market and sold the *Times Herald* to Media News Group. The *Times Herald* continues the war with a livelier looking paper and an aggressive ad campaign that dishes out barbs like "Nobody wants to read a wimp newspaper," at the more established News.

The *Times Herald* also has challenged the *News* and the ABC in federal court, charging circulation figures are padded. The *News* countersued, leveling circulation irregularity charges of its own. In November 1986, Texas Attorney General Jim Mattox started investigating the matter, an action that wound up in district court when the *News* sued to stop the investigation. In February, the court called a six-month truce in that battle.

The dispute between the two papers continues with both being left off ABC's March 31 audit list. According to the ABC's Sept. 30, 1986 FAS-FAX report, the *News* circulation was reported as 390,987 daily, up 3.5% from the year-earlier period, and 531,417 Sunday, up 6.1%, while the *Times Herald* reported 246,371 daily, up 6.6%, and 338,963 Sundays, up 2.2%.

In TV, Belo leads the Dallas-Fort Worth market with WFAA-TV, but it is less successful in other markets like Houston where it has failed to raise KHOU-TV from third place in the key 6 p.m. and 10 p.m. news slots.

In Dallas, *News* advertisers, Joske's department stores and Safeway's North Texas grocery division, were purchased by competitors that also were *News'* advertisers, eliminating about $3 million in advertising revenues annually. Belo executives blamed declining ad revenues, limited promise for short-term recovery and a 7% increase in newsprint this year at the *News* in deciding this May to eliminate about 100 positions.

Its first-quarter earnings reflected a 3% decline in revenues to $87.5 million in 1987. However, earnings increased 37.5% to $2.2 million. Analyst Richard Straley of Eppler, Guerin & Turner does not predict a major improvement in revenues for Belo through 1987 but says its earnings should benefit from lower interest and tax rates.

In 1986, Belo, seeking to ensure in-

Staff for this report
- Fred Danzig, *editor*
- Larry Doherty, *deputy editor*
- Robert Goldsborough, *executive editor*
- R. Craig Endicott, *profile issues editor*
- Julie Doherty, *profile issues assistant editor*
- Mike Ryan, *copy editor*
- Kevin Brown, *assistant editor*
- Sandra Davis, *editorial assistant*
- Geoffrey Shives, *art director*
- Christopher Colletti, *graphic designer*
- Karen Brodsky, *production director*
- Anita Busch, *production editor*
- Norma Green, *copy reader*
- Virginia Hunsche, *copy reader*
- Cover graphics: Jeffrey Toth

What is media?

As witnessed by the composition of the leading 100 media companies profiled in this issue, media cannot be confined to a classical fourth-estate definition. That is a stereotype.

The definition of media continues to evolve as the "traditional" media companies themselves add yet another "non-traditional" activity to their business profile. Seventeen of the companies in this seventh 100 Leading Media Companies report now contain "communications" in their title—a word generally added in recent years to reflect a broad sweep of "media" activities years removed from the classical media form that first identified the company.

As a rule the definition essentially comes down to the dissemination of information, editorial or advertising, through subscription or otherwise, a broad reading that lets in the media door total market coverage units within newspaper companies, and companies as free-standing as their inserts—the direct marketers who have drawn a bead on your Zip code.

Videodiscs, home shopping networks and subscription-based information networks that provide everything from electronic news services to analyses of corporate returns and commodity information to farmers also are merged into the definition. Specialty advertising calendars and the networking of news and information via satellite to member stations are classified as media.

Still on the doorstep, but not included in Advertising Age's interpretation of media, are program production, motion pictures, syndication activities, book publishing and ad rep sales made to non-owned broadcast stations.

The definition is continually being rewritten—today by the skywriters over crowded beaches and the entrepreneurs planting advertising and movie previews on the movie cassettes picked up for a night's viewing, and tomorrow?

It also should be noted that media companies that are headquartered outside the U.S. are ranked in this issue only by their U.S. revenues.

100 leading media cos. by revenue

Rank 1986	Rank 1985	Company	Headquarters	Media revenues 1986	Media revenues 1985	% chng	Total revenues 1986	Total revenues 1985	% chng	Media % total	Net income 1986	Net income 1985	% chng
1	1	Capital Cities/ABC	New York	$4,060.6	$4,068.7	1.3	$4,124.4	N/A	N/A	100.0	$447.7	N/A	N/A
2	2	CBS Inc.	New York	3,224.0	3,192.0	1.0	4,754.0	4,452.0	6.8	67.8	375.0	27.0	1,288.9
3	3	Time Inc.	New York	3,099.0	2,852.0	8.7	3,762.0	3,404.0	10.5	82.4	376.0	200.0	88.0
4	4	General Electric Co.	Fairfield, Conn.	2,965.0	2,647.5	12.0	36,752.0	29,252.0	25.6	8.1	2,492.0	2,277.0	9.4
5	6	Gannett Co.	Arlington, Va.	2,727.0	2,153.0	26.7	2,801.0	2,209.0	26.8	97.4	276.4	253.0	9.1
6	5	Times Mirror Co.	Los Angeles	2,245.0	2,172.0	3.4	2,948.0	2,959.0	(0.4)	76.2	408.0	237.0	72.2
7	7	Advance Publications	New York	2,200.0	2,030.0	8.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	8	Dun & Bradstreet Corp.	New York	1,932.0	1,718.0	12.5	3,114.0	2,772.0	12.3	62.0	340.0	295.0	15.3
9	10	Knight-Ridder Newspapers	Miami	1,879.6	1,700.1	10.6	1,910.7	1,729.6	10.5	98.4	140.0	132.7	5.5
10	9	Tribune Co.	Chicago	1,775.7	1,684.0	5.4	2,029.8	1,938.0	4.7	87.5	292.9	123.8	136.6
11	12	New York Times Co.	New York	1,564.7	1,393.8	12.3	1,564.7	1,393.8	12.3	100.0	132.2	116.3	13.7
12	11	Hearst Corp.	New York	1,529.0	1,428.2	7.1	1,750.0	1,604.2	9.1	87.4	N/A	N/A	N/A
13	13	Cox Communications	Atlanta	1,465.3	1,326.0	10.5	1,569.0	1,471.5	6.6	93.4	N/A	N/A	N/A
14	15	Washington Post Co.	Washington	1,162.0	1,037.0	12.1	1,215.0	1,079.0	12.6	95.6	100.0	102.0	(2.0)
15	16	McGraw-Hill	New York	1,089.1	1,030.7	5.7	1,576.8	1,491.2	5.7	69.1	154.0	147.4	4.5
16	17	Dow Jones & Co.	New York	1,078.0	978.0	10.2	1,135.0	1,041.0	9.0	95.0	183.0	139.0	31.7
17	18	Scripps Howard	Cincinnati	1,062.0	924.0	14.9	N/A	N/A	N/A	N/A	N/A	N/A	N/A
18	29	Viacom International	New York	855.0	376.0	127.4	919.0	444.0	107.0	93.0	(9.9)	37.0	(126.6)
19	21	News Corp. Ltd.	Sydney	841.3	584.0	44.1	2,670.0	1,900.0	40.5	31.5	169.9	74.4	128.4
20	14	Westinghouse Electric Corp.	Pittsburgh	839.0	1,069.0	(21.5)	10,730.0	10,700.0	0.3	7.8	732.0	605.0	21.0
21	20	Triangle Publications	Radnor, Pa.	730.0	720.0	1.4	730.0	720.0	1.4	100.0	N/A	N/A	N/A
22	19	Kohlberg Kravis Roberts & Co.	New York	664.9	769.0	(13.5)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
23	22	TCI	Denver	645.7	577.0	11.9	645.7	577.0	11.9	100.0	72.3	10.1	615.8
24	24	Harte-Hanks Communications	San Antonio, Texas	575.0	550.0	4.5	575.0	550.0	4.5	100.0	N/A	N/A	N/A
25	23	Int'l Thomson Organisation	Toronto	549.0	560.0	(2.0)	2,530.0	2,609.0	(3.0)	217.0	143.0	164.0	(12.8)
26	26	Opubco	Oklahoma City	500.0	411.0	21.7	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27	—	Reader's Digest Assn.	Pleasantville, N.Y.	486.0	512.0	(5.1)	1,400.0	1,282.0	9.2	34.7	N/A	N/A	N/A
28	—	Advo-System	Windsor, Conn.	467.1	443.5	5.3	467.1	443.5	5.3	100.0	(44.9)	(17.5)	(156.6)
29	30	Thomson Newspapers	Toronto	412.0	378.0	9.0	746.0	691.0	8.0	55.2	145.0	127.0	14.2
30	28	Central Newspapers	Indianapolis	407.0	384.0	6.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
31	31	Affiliated Publications	Boston	399.0	349.4	14.2	401.1	350.7	14.4	99.5	66.1	31.0	113.5
32	27	A.H. Belo Corp.	Dallas	397.2	385.2	3.1	397.2	385.2	3.1	100.0	20.3	23.8	(14.7)
33	39	Continental Cablevision	Boston	392.0	295.0	32.9	392.0	295.0	32.9	100.0	N/A	N/A	N/A
34	32	Meredith Corp.	Des Moines, Iowa	390.7	356.2	9.7	533.4	474.9	12.3	73.2	47.2	42.7	10.5
35	36	Media General	Richmond, Va.	381.0	346.0	10.1	635.0	579.0	9.7	60.0	17.0	33.0	(48.5)
36	34	Turner Broadcasting System	Atlanta	379.4	316.3	20.0	570.4	362.7	57.3	66.5	(200.0)	1.0	(20,100.0)
37	74	Media News Group	Woodbury, N.J.	375.0	150.0	150.0	375.0	150.0	150.0	100.0	N/A	N/A	N/A
38	33	Multimedia Inc.	Greenville, S.C.	372.0	336.0	10.7	372.0	336.0	10.7	100.0	(5.0)	22.0	(122.7)
39	50	Ingersoll Publications	Princeton, N.J.	370.0	235.0	57.4	370.0	235.0	57.4	100.0	N/A	N/A	N/A
40	35	Warner Communications	New York	360.0	331.0	8.8	2,848.0	2,234.0	27.5	12.6	186.0	195.0	(4.6)
41	37	Freedom Newspapers	Irvine, Calif.	357.0	325.0	9.8	357.0	325.0	9.8	100.0	30.0	26.0	15.4
42	40	Morris Communications	Augusta, Ga.	349.0	284.0	22.9	349.0	284.0	22.9	100.0	N/A	N/A	N/A
43	38	Copley Newspapers	La Jolla, Calif.	330.0	306.0	7.8	332.0	310.0	7.1	99.4	N/A	N/A	N/A
44	42	Pulitzer Publishing Co.	St. Louis	329.0	272.0	21.0	329.0	272.0	21.0	100.0	16.4	20.0	(18.0)
45	43	Consolidated Press Holdings	Sydney	325.0	270.0	20.4	325.0	270.0	20.4	100.0	N/A	N/A	N/A
46	41	McClatchy Newspapers	Sacramento, Calif.	310.0	275.0	12.7	310.0	275.0	12.7	100.0	N/A	N/A	N/A
47	44	Landmark Communications	Norfolk, Va.	290.0	251.0	15.5	293.0	262.0	11.8	99.0	N/A	N/A	N/A
48	60	Taft Broadcasting Co.	Cincinnati	281.1	283.4	(0.8)	499.8	472.8	5.7	56.2	(53.1)	19.4	(373.7)
49	46	Chronicle Publishing Co.	San Francisco	275.0	242.0	13.6	278.0	247.0	12.6	98.9	N/A	N/A	N/A
50	48	Donrey Media Group	Fort Smith, Ark.	275.0	237.0	16.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
51	45	Maclean Hunter Ltd.	Toronto	270.1	258.0	4.7	834.4	704.8	18.4	32.4	50.2	43.0	16.6
52	55	Cahners Publishing Co.	Newton, Mass.	267.0	210.0	27.1	436.0	352.0	23.9	61.2	N/A	N/A	N/A
53	47	Cowles Media Co.	Minneapolis	256.8	240.6	6.7	256.8	240.6	6.7	100.0	22.5	19.2	17.2
54	61	International Data Group	Framingham, Mass.	250.0	185.0	35.1	300.0	200.0	50.0	83.3	N/A	N/A	N/A
55	54	RKO General	New York	239.0	213.0	12.2	444.0	406.0	9.4	53.8	31.0	7.0	342.9
56	53	Journal Communications	Milwaukee	228.7	216.0	5.9	360.8	338.7	6.5	63.4	38.7	35.8	8.1
57	—	Chicago Sun-Times Co.	Chicago	225.0	200.0	12.5	225.0	200.0	12.5	100.0	20.0	9.0	122.2
58	52	Patrick Media Group	Scranton, Pa.	220.0	215.0	2.3	220.0	215.0	2.3	100.0	N/A	N/A	N/A
59	51	National Geographic Society	Washington	219.0	220.0	(0.5)	370.0	356.0	3.9	59.2	23.0	22.0	4.5
60	57	Providence Journal Co.	Providence, R.I.	208.0	208.0	0.0	211.0	434.0	(51.4)	98.6	N/A	N/A	N/A
61	—	Quad/Graphics	New York	205.0	134.0	53.0	400.0	200.0	100.0	51.3	N/A	N/A	N/A
62	62	Lee Enterprises	Davenport, Iowa	203.3	190.6	6.7	220.9	206.6	6.9	92.0	32.6	30.7	6.1
63	—	Product Movers	New York	200.0	150.0	33.3	200.0	150.0	33.3	100.0	N/A	N/A	N/A
64	68	Chris-Craft Industries	New York	199.8	168.3	18.7	224.0	190.3	17.7	89.2	14.7	18.3	(19.7)
65	59	3M	St. Paul, Minn.	197.0	176.0	11.9	8,602.0	7,846.0	9.6	2.3	779.0	664.0	17.3
66	67	United Cable Television Corp.	Denver	195.8	169.0	15.8	195.8	169.0	15.8	100.0	8.9	12.5	(28.6)
67	64	Blade Communications	Toledo, Ohio	189.0	174.0	8.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
68	63	Howard Publications	Oceanside, Calif.	185.0	178.0	3.9	185.0	178.0	3.9	100.0	N/A	N/A	N/A
69	69	Times Publishing Co.	St. Petersburg, Fla.	184.0	172.3	6.8	184.0	172.3	6.8	100.0	N/A	N/A	N/A
70	66	Seattle Times	Seattle	175.0	170.0	2.9	175.0	170.0	2.9	100.0	N/A	N/A	N/A
71	80	Ziff Communications	New York	175.0	125.0	40.0	175.0	125.0	40.0	100.0	N/A	N/A	N/A
72	65	Playboy Enterprises	Chicago	168.0	173.0	(2.9)	182.0	190.0	(4.2)	92.3	(62.2)	67.0	(192.8)
73	77	Sammons Communications	Dallas	167.0	132.0	26.5	167.0	132.0	26.5	100.0	N/A	N/A	N/A
74	72	Dispatch Printing Co.	Columbus, Ohio	165.5	156.0	6.1	165.5	156.0	6.1	100.0	N/A	N/A	N/A
75	76	Harcourt Brace Jovanovich	Orlando, Fla.	164.8	137.0	20.3	1,300.1	990.5	31.3	12.7	70.5	50.5	39.4
76	71	National Enquirer	Lantana, Fla.	164.0	159.0	3.1	164.0	159.0	3.1	100.0	N/A	N/A	N/A
77	—	Working Woman-McCalls	New York	164.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
78	—	Home Shopping Network	Clearwater, Fla.	160.2	N/A	N/A	160.2	N/A	N/A	100.0	17.1	N/A	N/A
79	70	LIN Broadcasting	New York	154.0	142.0	8.5	195.0	172.0	13.4	79.0	66.0	36.0	83.3
80	85	Macromedia Inc.	Hackensack, N.J.	152.0	120.0	26.7	153.0	121.0	26.4	99.3	9.0	9.0	0.0
81	—	Cablevision Systems Corp.	Woodbury, N.Y	150.8	137.0	10.1	150.8	137.0	10.1	100.0	(16.1)	(48.2)	66.5
82	83	Petersen Publishing Co.	Los Angeles	143.9	135.2	6.4	150.8	138.6	8.8	95.5	N/A	N/A	N/A
83	75	U.S. News & World Report	Washington	140.4	145.0	(3.2)	162.4	169.0	(3.9)	86.5	N/A	N/A	N/A
84	82	TeleCable Corp.	Norfolk, Va.	137.0	122.0	12.3	137.0	122.0	12.3	100.0	N/A	N/A	N/A
85	87	Times Journal Co.	Springfield, Va.	136.0	115.0	18.3	176.0	155.0	13.5	77.3	N/A	N/A	N/A
86	78	Penthouse International	New York	135.6	132.0	2.7	153.9	144.8	6.3	88.1	N/A	N/A	N/A
87	79	Hubbard Broadcasting	St. Paul, Minn.	135.0	125.0	8.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
88	84	Bonneville International Corp.	Salt Lake City	131.0	120.0	9.2	161.0	151.0	6.6	81.4	N/A	N/A	N/A
89	91	Park Communications	Ithaca, N.Y.	126.6	105.0	20.6	126.6	105.0	20.6	100.0	14.9	15.2	(2.0)
90	86	Rogers Communications	Toronto	125.0	119.0	5.0	296.0	255.0	16.1	42.2	(24.0)	(16.0)	(50.0)
91	89	Forbes Inc.	New York	120.0	114.6	4.7	158.0	150.0	5.3	75.9	N/A	N/A	N/A
92	94	Crain Communications	Chicago	117.9	102.1	15.5	117.9	109.0	8.2	100.0	N/A	N/A	N/A
93	81	Allbritton Communications	Washington	115.0	122.0	(5.7)	115.0	122.0	(5.7)	100.0	N/A	N/A	N/A
94	90	Berkshire Hathaway	Omaha, Neb.	114.0	108.0	5.6	2,200.0	940.0	134.0	5.2	131.5	93.0	41.4
95	95	H&C Communications	Houston	114.0	102.0	11.8	114.0	102.0	11.8	100.0	N/A	N/A	N/A
96	98	Stauffer Communications	Topeka, Kan.	112.4	108.4	3.7	118.2	113.7	4.0	95.1	20.4	6.7	204.4
97	100	Knapp Communications	Los Angeles	107.0	93.0	15.1	117.0	100.0	17.0	91.5	N/A	N/A	N/A
98	92	American Media Network	New York	105.0	93.8	11.9	105.0	93.8	11.9	100.0	N/A	N/A	N/A
99	97	Pittway Corp.	Northbrook, Ill.	101.4	98.0	3.5	585.7	548.0	6.9	17.3	27.6	31.1	(11.3)
100	99	Heritage Communications	Des Moines, Iowa	100.1	67.9	47.5	118.0	96.0	22.9	84.8	(9.9)	8.0	(223.8)

NOTE: Dollars in millions

Sources: Media revenues are Advertising Age estimates. Total revenues were obtained through company sources where possible.

Revenue breakout by media

Rank 1986	Rank 1985	Company	Newspaper 1986	Newspaper 1985	Newspaper % chng	Magazine 1986	Magazine 1985	Magazine % chng	Broadcast 1986	Broadcast 1985	Broadcast % chng	Cable 1986	Cable 1985	Cable % chng	Other media 1986	Other media 1985	Other media % chng
1	1	Capital Cities/ABC	$412.4	$405.0	1.8	$558.4	$554.0	0.7	$3,153.6	$3,109.7	1.4	—	—	—	—	—	—
2	2	CBS Inc.	—	—	—	407.0	407.0	0.0	2,817.0	2,785.0	1.1	—	—	—	—	—	—
3	3	Time Inc.	—	—	—	1,576.0	1,482.0	6.3	—	—	—	1,523.0	1,370.0	11.2	—	—	—
4	4	General Electric Co.	—	—	—	—	—	—	2,965.0	2,647.5	12.0	—	—	—	—	—	—
5	6	Gannett Co.	2,165.0	1,680.0	28.9	—	—	—	351.0	265.0	32.5	—	—	—	211.0	208.0	1.4
6	5	Times Mirror Co.	1,727.0	1,620.0	6.6	148.0	144.0	2.8	127.0	129.0	(1.6)	243.0	279.0	(12.9)	—	—	—
7	7	Advance Publications	1,470.0	1,350.0	8.9	544.0	510.0	6.7	—	—	—	186.0	170.0	9.4	—	—	—
8	8	Dun & Bradstreet Corp.	—	—	—	—	406.0	—	—	—	—	—	—	—	1,932.0	1,312.0	47.3
9	10	Knight-Ridder Newspapers	1,688.1	1,554.7	8.6	—	—	—	102.6	65.2	57.2	—	—	—	88.9	80.1	11.0
10	9	Tribune Co.	1,363.7	1,358.0	0.4	—	—	—	412.0	273.0	50.9	—	53.0	—	—	—	—
11	12	New York Times Co.	1,252.4	1,108.7	13.0	219.3	216.5	1.3	57.0	42.0	35.7	36.0	26.6	35.3	—	—	—
12	11	Hearst Corp.	390.0	369.0	5.7	780.0	738.0	5.7	280.0	250.0	12.0	9.0	7.0	28.6	70.0	64.2	9.0
13	13	Cox Communications	683.3	644.0	6.1	—	—	—	287.0	261.0	10.0	495.0	421.0	17.6	—	—	—
14	15	Washington Post Co.	589.0	556.0	5.9	321.0	326.0	(1.5)	167.0	155.0	7.7	85.0	—	—	—	—	—
15	16	McGraw-Hill	—	—	—	318.2	313.0	1.7	92.9	83.0	11.9	—	—	—	678.0	634.7	6.8
16	17	Dow Jones & Co.	917.7	844.0	8.7	34.5	32.0	7.8	—	—	—	—	—	—	125.8	102.0	23.3
17	18	Scripps Howard	750.0	702.0	6.8	51.0	50.0	2.0	210.5	135.0	55.9	50.5	37.0	36.5	—	—	—
18	29	Viacom International	—	—	—	—	—	—	111.3	83.5	33.3	743.7	292.5	154.3	—	—	—
19	21	News Corp. Ltd.	500.0	435.0	14.9	180.0	149.0	20.8	122.8	—	—	36.5	—	—	—	—	—
20	14	Westinghouse Electric Corp.	—	—	—	—	—	—	559.0	539.0	3.7	280.0	530.0	(47.2)	—	—	—
21	20	Triangle Publications	77.0	72.0	6.9	653.0	648.0	0.8	—	—	—	—	—	—	—	—	—
22	19	Kohlberg Kravis Roberts & Co.	—	—	—	—	—	—	248.2	278.0	(10.7)	416.7	491.0	(15.1)	—	—	—
23	22	TCI	—	—	—	—	—	—	—	—	—	645.7	577.0	11.9	—	—	—
24	24	Harte-Hanks Communications	224.0	230.0	(2.6)	—	—	—	79.0	74.0	6.8	39.0	37.0	5.4	233.0	209.0	11.5
25	23	Int'l Thomson Organisation	—	—	—	549.0	560.0	(2.0)	—	—	—	—	—	—	—	—	—
26	26	Opubco	135.0	154.0	(12.3)	—	2.0	—	305.0	240.0	27.1	60.0	15.0	300.0	—	—	—
27	—	Reader's Digest Assn.	—	—	—	486.0	500.0	(2.8)	—	—	—	—	—	—	—	12.0	—
28	—	Advo-System	—	—	—	—	—	—	—	—	—	—	—	—	467.1	443.5	5.3
29	30	Thomson Newspapers	412.0	378.0	9.0	—	—	—	—	—	—	—	—	—	—	—	—
30	28	Central Newspapers	407.0	382.5	6.4	—	—	—	—	—	—	—	1.5	—	—	—	—
31	31	Affiliated Publications	399.0	349.4	14.2	—	—	—	—	—	—	—	— c	—	—	—	—
32	27	A.H. Belo Corp.	221.6	221.3	0.1	—	—	—	175.6	163.9	7.1	—	—	—	—	—	—
33	39	Continental Cablevision	—	—	—	—	—	—	—	—	—	392.0	295.0	32.9	—	—	—
34	32	Meredith Corp.	—	9.0	—	267.6	227.5	17.6	123.0	114.7	7.3	—	5.0	—	—	—	—
35	36	Media General	266.0	253.0	5.1	16.0	17.0	(5.9)	60.0	51.0	17.6	39.0	25.0	56.0	—	—	—
36	34	Turner Broadcasting System	—	—	—	—	—	—	207.6	189.7	9.5	171.8	126.6	35.7	—	—	—
37	74	Media News Group	375.0	150.0	150.0	—	—	—	—	—	—	—	—	—	—	—	—
38	33	Multimedia Inc.	117.0	109.0	7.3	—	—	—	174.0	153.0	13.7	81.0	74.0	9.5	—	—	—
39	50	Ingersoll Publications	370.0	235.0	57.4	—	—	—	—	—	—	—	—	—	—	—	—
40	35	Warner Communications	—	—	—	35.0	35.0	0.0	325.0	296.0	9.8	—	—	—	—	—	—
41	37	Freedom Newspapers	305.0	280.0	8.9	—	—	—	52.0	45.0	15.6	—	—	—	—	—	—
42	40	Morris Communications	238.0	231.0	3.0	1.0	1.0	0.0	—	—	—	—	—	—	110.0	52.0	111.5
43	38	Copley Newspapers	326.0	304.0	7.2	—	—	—	—	—	—	4.0	2.0	100.0	—	—	—
44	42	Pulitzer Publishing Co.	232.0	179.0	29.6	—	—	—	97.0	93.0	4.3	—	—	—	—	—	—
45	43	Consolidated Press Holdings	—	—	—	—	—	—	—	—	—	—	—	—	325.0	270.0	20.4
46	41	McClatchy Newspapers	283.0	248.0	14.1	—	—	—	10.0	14.0	(28.6)	17.0	13.0	30.8	—	—	—
47	44	Landmark Communications	244.0	217.0	12.4	—	—	—	32.0	28.0	14.3	14.0	6.0	133.3	—	—	—
48	60	Taft Broadcasting Co.	—	—	—	—	—	—	281.1	283.4	(0.8)	—	—	—	—	—	—
49	46	Chronicle Publishing Co.	150.0	129.0	16.3	—	—	—	85.0	80.0	6.3	40.0	33.0	21.2	—	—	—
50	48	Donrey Media Group	225.0	192.0	17.2	—	—	—	27.0	28.0	(3.6)	13.0	8.0	62.5	10.0	9.0	11.1
51	45	Maclean Hunter Ltd.	128.8	129.0	(0.1)	58.4	52.0	12.3	—	—	—	82.9	77.0	7.6	—	—	—
52	55	Cahners Publishing Co.	—	—	—	267.0	210.0	27.1	—	—	—	—	—	—	—	—	—
53	47	Cowles Media Co.	256.8	240.6	6.7	—	—	—	—	—	—	—	—	—	—	—	—
54	61	International Data Group	—	—	—	250.0	185.0	35.1	—	—	—	—	—	—	—	—	—
55	54	RKO General	—	—	—	—	—	—	239.0	213.0	12.2	—	—	—	—	—	—
56	53	Journal Communications	183.5	176.0	4.3	—	—	—	45.2	40.0	13.0	—	—	—	—	—	—
57	—	Chicago Sun-Times Co.	225.0	200.0	12.5	—	—	—	—	—	—	—	—	—	—	—	—
58	52	Patrick Media Group	—	—	—	—	—	—	—	—	—	—	—	—	220.0	215.0	2.3
59	51	National Geographic Society	—	—	—	219.0	220.0	(0.5)	—	—	—	—	—	—	—	—	—
60	57	Providence Journal Co.	111.0	102.0	8.8	—	15.0	—	29.0	31.5	(7.9)	68.0	59.5	14.3	—	—	—
61	—	Quad/Graphics	—	—	—	5.0	4.0	25.0	—	—	—	—	—	—	200.0	130.0	53.8
62	62	Lee Enterprises	142.7	131.5	8.5	—	—	—	52.8	51.8	1.9	—	—	—	7.8	7.3	7.9
63	—	Product Movers	—	—	—	—	—	—	—	—	—	—	—	—	200.0	150.0	33.3
64	68	Chris-Craft Industries	—	—	—	—	—	—	199.8	168.3	18.7	—	—	—	—	—	—
65	59	3M	—	—	—	—	—	—	—	—	—	—	—	—	197.0	176.0	11.9
66	67	United Cable Television Corp.	—	—	—	—	—	—	—	—	—	195.8	169.0	15.8	—	—	—
67	64	Blade Communications	149.0	136.0	9.6	—	—	—	14.0	13.0	7.7	26.0	25.0	4.0	—	—	—
68	63	Howard Publications	152.0	147.0	3.4	—	—	—	20.0	18.0	11.1	13.0	13.0	0.0	—	—	—
69	69	Times Publishing Co.	163.0	154.3	5.6	21.0	18.0	16.7	—	—	—	—	—	—	—	—	—
70	66	Seattle Times	175.0	170.0	2.9	—	—	—	—	—	—	—	—	—	—	—	—
71	80	Ziff Communications	—	—	—	175.0	125.0	40.0	—	—	—	—	—	—	—	—	—
72	65	Playboy Enterprises	—	—	—	144.0	149.0	(3.4)	—	—	—	24.0	24.0	0.0	—	—	—
73	77	Sammons Communications	—	—	—	—	—	—	—	—	—	167.0	132.0	26.5	—	—	—
74	72	Dispatch Printing Co.	123.0	118.0	4.2	3.5	2.0	75.0	39.0	36.0	8.3	—	—	—	—	—	—
75	76	Harcourt Brace Jovanovich	—	—	—	145.8	119.0	22.5	19.0	18.0	5.6	—	—	—	—	—	—
76	71	National Enquirer	164.0	159.0	3.1	—	—	—	—	—	—	—	—	—	—	—	—
77	—	Working Woman-McCalls	—	—	—	164.0	—	—	—	—	—	—	—	—	—	—	—
78	—	Home Shopping Network	—	—	—	—	—	—	—	—	—	160.2	—	—	—	—	—
79	70	LIN Broadcasting	—	—	—	17.0	16.0	6.3	137.0	126.0	8.7	—	—	—	—	—	—
80	85	Macromedia Inc.	127.0	98.0	29.6	—	—	—	25.0	22.0	13.6	—	—	—	—	—	—
81	—	Cablevision Systems Corp.	—	—	—	—	—	—	—	—	—	150.8	137.0	10.1	—	—	—
82	83	Petersen Publishing Co.	—	—	—	143.9	135.2	6.4	—	—	—	—	—	—	—	—	—
83	75	U.S. News & World Report	—	—	—	140.4	145.0	(3.2)	—	—	—	—	—	—	—	—	—
84	82	TeleCable Corp.	—	—	—	—	—	—	—	—	—	137.0	122.0	12.3	—	—	—
85	87	Times Journal Co.	136.0	115.0	18.3	—	—	—	—	—	—	—	—	—	—	—	—
86	78	Penthouse International	—	—	—	135.6	132.0	2.7	—	—	—	—	—	—	—	—	—
87	79	Hubbard Broadcasting	—	—	—	—	—	—	135.0	125.0	8.0	—	—	—	—	—	—
88	84	Bonneville International Corp.	—	—	—	—	—	—	131.0	120.0	9.2	—	—	—	—	—	—
89	91	Park Communications	67.7	58.0	16.7	—	—	—	58.9	47.0	25.3	—	—	—	—	—	—
90	86	Rogers Communications	—	—	—	—	—	—	—	—	—	125.0	119.0	5.0	—	—	—
91	89	Forbes Inc.	—	—	—	120.0	114.6	4.7	—	—	—	—	—	—	—	—	—
92	94	Crain Communications	—	—	—	117.7	102.0	15.4	0.2	0.1	100.0	—	—	—	—	—	—
93	81	Allbritton Communications	29.0	44.0	(34.1)	—	—	—	86.0	78.0	10.3	—	—	—	—	—	—
94	90	Berkshire Hathaway	114.0	108.0	5.6	—	—	—	—	—	—	—	—	—	—	—	—
95	95	H&C Communications	—	—	—	1.0	1.0	0.0	113.0	101.0	11.9	—	—	—	—	—	—
96	98	Stauffer Communications	60.1	60.3	(0.3)	17.9	17.2	4.1	25.2	21.6	16.7	—	—	—	9.2	9.3	(1.1)
97	100	Knapp Communications	—	—	—	107.0	93.0	15.1	—	—	—	—	—	—	—	—	—
98	92	American Media Network	—	—	—	—	—	—	—	—	—	—	—	—	105.0	93.8	11.9
99	97	Pittway Corp.	—	—	—	101.4	98.0	3.5	—	—	—	—	—	—	—	—	—
100	99	Heritage Communications	—	—	—	—	—	—	10.6	1.8	489.9	85.0	66.1	28.7	4.5	—	—

NOTE: Dollars in millions
Sources: Media revenues are Advertising Age estimates

dependence, continued its stock buyback program, repurchasing 859,000 shares at about $54 a share. The board authorized the repurchase of up to 688,000 more shares. It also adopted a preferred share rights purchase plan.

Belo passed the operating mantle to a fourth generation by naming Robert W. Decherd as chairman-ceo. The 35-year-old Mr. Decherd, great grandson of *News* founder G.B. Dealey, is cousin to the man he succeeded, James M. Moroney Jr., who remains on the board of directors.

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Dallas-Fort Worth Suburban Newspapers
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Corporate Personnel
David L. Crowe, president-ceo
MEDIA PROPERTIES
Broadcasting
TV: KHOU-TV, Houston; KOTV, Tulsa, Okla.; KXTV, Sacramento-Stockton, Calif.; WFAA-TV, Dallas-Fort Worth; WVEC-TV, Hampton-Norfolk-Portsmouth-Newport, Va.
Newspapers
Dallas Morning News. Belo's Dallas-Fort Worth Suburban Newspapers—*Arlington Daily News, Garland Daily News, Grand Prairie Daily News, Irving Daily News, Mid-Cities Daily News, Richardson Daily News.*
Newspapers (non-dailies)
Belo's Dallas-Fort Worth Suburban Newspapers-*Metrocrest News.*
OTHER OPERATIONS
Publishes the Texas Almanac.

Capital Cities/ ABC — RANK 1
New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	4,124.4	4,008.7	1.3
Total sales	4,124.4	N/A	N/A
Net income	447.7	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	412.4	405.0	1.8
Magazine	558.4	554.0	0.7
Broadcast	3,153.6	3,109.7	1.4
Cable	—	—	—
Other	—	—	—

Capital Cities/ABC had a less-than-spectacular financial performance in 1986 as it consolidated operations following the January 1986 acquisition of American Broadcasting Co. by Capital Cities Communications.

Cap Cities, known for its financial austerity, has supplanted what was predominantly a spend-thrift "show-biz" image of ABC with one of financial conservatism.

Capital Cities' top executives also have quickly reorganized priorities. Cap Cities/ABC is not a company dominated by a TV network, but one dominated by two major divisions, publishing and broadcasting. The TV network is merely a component—and an ailing one—of the broadcast division where the real performers are the owned-and-operated TV stations.

Cap Cities/ABC totals shown in the accompanying box include pro forma results for 1985 as if ABC had been part of what was then Capital Cities Communications. Using these totals for comparison, operating income in 1986 decreased 10.3% to $501 million on a 1.4% increase in revenues to $4.12 billion.

In comparing the various segments of the company in 1986 with pro forma 1985 returns, ABC Television Network Group had $2.05 billion in revenue, down 4% from 1985, while the network reported a loss in operating income of $70 million, compared with a pro forma 1985 profit of $105 million.

The Broadcasting Group (owned-and-operated TV, radio and video enterprises) accounted for $1.1 billion in revenue, up 13%, with operating income of $412 million, up 42% from 1985 pro forma results. Publishing, including both specialized publications and newspapers, recorded net revenues of $970.8 million, up 1.2%, and operating income of $159 million, down 4.6% from pro forma 1985.

Of the segment totals, daily newspapers accounted for $412.4 million (includes shoppers and inserts), up 2%, and special publications (includes some book publishing), $558.4 million, up 0.8%.

Overall, consolidated income at Cap Cities/ABC in the first quarter 1987 was $23.9 million compared with $1.9 million (before the sale of some TV properties) the year before. Net revenues were $959.2 million, a 5% increase from the same period in 1986. Broadcast revenues were $721.9 million, a 6% increase, while publishing had revenues of $237.3 million for a 3% increase. Profits were $76.6 million, up from $30.1 million.

During 1986, despite gains in other divisions, the TV network continued to grab most of the attention. The network had a dismal year, due to overall slowdown in ad spending and one of the worst performances of its prime-time schedule ever. Continuing escalation in program costs and the final and most expensive year of its National Football League contract did not help.

ABC is coming off of its worst prime-time season (1986-87) since 1955. The network's average 14.1 rating was 26% lower than top-ranked NBC's. CBS had a 15.8 rating.

In addition to the regular season average, ABC suffered its worst sweeps ratings ever in May 1987. The network had an 11.3 rating and 20 share during May, compared to the previous low of 12.9 rating in May, 1970.

There was even bad news within the good news. "Moonlighting" emerged as ninth most popular show of the 1986-87 season, but because of an extremely difficult production schedule, about one-half of all episodes were repeated. The network cannot even break even on its most popular show.

In network daytime, ABC continued to lag behind CBS in household ratings. ABC had a 5.3 rating through May 10. CBS's was 5.5. However, ABC maintained its lead in some key demographics. Its "Good Morning, America" remained entrenched behind NBC's "Today Show."

In on-going tests with people meters —which this fall will supplant diaries as the primary means of measuring the demographic components of the TV viewing audience—ABC was found to have superior demographics in some categories to CBS. For example, the people meters show that ABC's strengths in younger demos are much higher than thought.

ABC also won a new $1.43 billion contract to telecast National Football League games through 1990, including 16 "Monday Night Football" games. The network dropped five "special-edition" games on Thursday and Sunday nights. ABC blamed much of its loss under the old contract on these games which in the main drew poorly. ABC's loss was ESPN's gain. The cable sports network with 41 million subscribers is 80% owned by Cap Cities/ABC. It paid $50 million-per-year for eight regular-season Sunday night games, four pre-season exhibition games, and the Pro Bowl.

The transaction is a big gamble for the cable network, which had earlier estimated it might charge advertisers $40,000 a 30-second unit to break even. ESPN, however, plans to make up its expenses through increased subscriber fees.

The ABC-TV Stations division, the crown jewel of the company in 1986, had an increase of 11% in net revenues over 1985 for its eight TV stations—a gain attributed to strong local advertising that offset the weakness in national spot advertising.

Radio revenue increased a modest 4% over 1985. The FCC has granted Cap Cities/ABC an 18-month waiver for the sale of its radio properties in Los Angeles, San Francisco, Chicago and New York and is seeking public comment on a proposal that would allow both Cap Cities/ABC and General Electric Co., which has NBC, to retain ownership, reasoning that retention would help the companies save money that could then be invested in better programming. Under cross-ownership rules the company would have to divest at least one of its radio or TV stations in those markets by July. Since it's unlikely Cap Cities would part with the profitable TV stations, four AM and three FM stations would be sold if the rule is enforced.

The radio division, up 4% in revenue in 1986 on a pro forma basis, was hurt by poor local sales. The division was bolstered by the acquisition for $10 million of KQRS-FM, Minneapolis-St. Paul.

Cap Cities/ABC breaks down its publishing segment into specialized publications, newspapers and shoppers. The over-all decline in operating income for the publishing segment was largely caused by poor results from Fairchild Publications, several units of ABC Publishing, the *Fort Worth Star-Telegram* and Southern California shopping guide operations.

Fairchild, considered part of specialized publications, suffered its second consecutive year of lower earnings—largely traced to the weak marketplaces and increased competition for its *Women's Wear Daily, Daily News Record* and *Electronic News*. ABC Publishing operating income increased only slightly while revenues decreased in 1986. Continuing to be a negative influence was its agricultural group, whose revenues and profits were down substantially. Chilton and Hitchcock Publishing had record profit years. ABC Consumer Magazines had substantial gains in operating income largely because of it computer magazine group. The depressed market of Fort Worth held back returns of the *Star-Telegram*.

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Corporate Personnel
Phillip Meek, president, ABC publishing group
MEDIA PROPERTIES
Broadcasting
TV: WABC-TV, New York; WLS-TV, Chicago; WPVI-TV, Philadelphia; WTVD, Raleigh-Durham, N.C.; KABC-TV, Los Angeles; KGO-TV, San Francisco; KTRK-TV, Houston; KFSN-TV, Fresno, Calif.
RADIO: KABC, KLOS (FM), Los Angeles; KQRS (AM, FM) Minneapolis; KGO, San Francisco; WBAP, KSCS (FM), Dallas-Fort Worth; WABC, WPLJ (FM), New York; WJR, WHYT (FM), Detroit; WKHX (AM, FM), Atlanta; WPRO (AM, FM), Providence, R.I.; WMAL, WRQX (FM), Washington; WLS, WYTZ (FM), Chicago.
Cable/video
CHANNELS: ESPN (Bristol, Conn.), Arts & Entertainment Network (38% ownership), Lifetime (33% ownership).
Magazines
McCall's Needlework & Crafts, Modern Photography, High Fidelity, Schwann Record & Tape Guide, Country Style, Video & Sound, Schwann CD, Musical America, Los Angeles Magazine, COMPUTE!, COMPUTE! PC, COMPUTE!'s Gazette, COMPUTE!'s Atari ST Disk & Magazine. Chilton Co.: *Automotive Industries, Automotive Marketing, Commercial Carrier Journal, Distribution, Electronic Component News, Food Engineering, Food Engineering International, Food Engineering Master* (annual prefiled catalog), *Industrial Maintenance and Plant Operation (IMPO), Industrial Safety & Hygiene News, IAN, I&CS, Jewelers' Circular-Keystone, Motor/Age, Owner Operator, Product Design & Development, Review of Optometry.* Hitchcock Publishing: *Assembly Engineering, Industrial Finishing, Infosystems, Machine and Tool Blue Book, Manufacturing Systems, Office Products Dealer, Quality, MITE.* ABC Agricultural Publications: *Prairie Farmer* (Illinois), *Ohio Prairie Farmer, Michigan Prairie Farmer, Indiana Prairie Farmer, Wallace's Farmer* (Iowa, N.D., S.D., Neb., Mo., Minn., Kan.), *Wisconsin Agriculturist, Dairy Herd Management, Farm Store Merchandising, Feedstuff, Garden Supply Retailer, Hog Farm Management, Tack 'n Togs.* Fairchild Publications: *Woman's Wear Daily, Daily News Record, American Metal Market, HFD-Retailing Home Furnishings, Energy User News, Footwear News, Supermarket News, Electronic News, MIS Week, Multichannel News, W, SportStyle, Entree, Children's Business, M, Metal Center News, Home Fashions Textiles, Heat Treating, Travel Agent.* Fairchild International Medical News Group: *Family Practice News, Internal Medicine News, Ob. Gyn. News, Pediatric News, Clinical Psychiatry News, Skin & Allergy News.* Fairchild Professional Press Group: *Optical Index, International Eyecare.* Institutional Investor: *II Domestic Edition, II International Edition.* Philatelic Publications: *Stamp Collector, Stamp Wholesaler.*
Newspapers
ILLINOIS: *Belleville News-Democrat.* MICHIGAN: *Oakland Press.* MISSOURI: Kansas City Times, Kansas City Star. OREGON: *Albany Democrat-Herald, Daily Tidings* (Ashland). PENNSYLVANIA: *Times Leader* (Wilkes-Barre). TEXAS: *Fort Worth Star-Telegram.*
Newspapers (nondailies)
CALIFORNIA: Sutton Industries: penny-savers in Orange, Riverside and San Diego counties, Sacramento and Stockton. CONNECTICUT: Shore Line Newspapers, Guilford. ILLINOIS: *Highland News-Leader.* KANSAS/MISSOURI: *Pennypower Shopping News* (Wichita and Topeka, Kan., and Springfield, Mo.). OREGON: *Gresham Outlook, Newport News-Times, Nickel Ads* (Portland), *Springfield News, Cottage Grove Sentinel, Sandy Post, Lebanon Express.* TEXAS: *Arlington Citizen-Journal.* WASHINGTON: *Little Nickel Want Ads* (Seattle-Tacoma), *Nickel Nik* (Spokane).
Other media operations
Securities Data Co.; Videolog Communications; National Price Services; NILS Publishing; Word Inc.

CBS Inc. — RANK 2
New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	3,224.0	3,192.0	1.0
Total sales	4,754.0	4,452.0	6.8
Net income	375.0	27.0	1,288.9
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	407.0	407.0	0.0
Broadcast	2,817.0	2,785.0	1.1
Cable	—	—	—
Other	—	—	—

Beset by plunging profits and hostile takeover attempts in 1986, CBS Inc. instituted major management changes and strategies to pare its budget. Laurence A. Tisch, chairman of Loews Corp., effectively gained control of CBS and claimed the ceo post from Thomas H. Wyman for himself after Loews raised its holdings in CBS to 25%. Mr. Tisch brought back CBS founder William S. Paley as chairman.

Despite significant declines in its broadcast division, CBS salvaged its performance in 1986 through massive staff reductions and the sale of assets, including its St. Louis TV station KMOX-TV, its music-publishing operations and its educational and professional publishing division. These one-time sale gains are reflected in the jump in net income, from $27 million to $375 million in 1986. Total revenue increased 6.7% to $4.75 billion, and operating profit fell 10% to $426.6 million, mainly the result of declining profitability of the CBS/Broadcast division, which accounts for about 60% of total revenues.

Early achiever

Malcolm Forbes, Forbes Inc. chairman and *Forbes* editor in chief, returned to newspaper publishing with the acquisition in March 1987 of Somerset Press (six weeklies with 44,300 combined circulation), Somerville, N.J., for $6 million. Mr. Forbes, fresh out of Princeton in 1941, bought the *Fairfield Times*, a weekly in Lancaster, Ohio, and founded the *Lancaster Tribune*, but folded the papers when he was inducted into the Army in 1942.

CBS reduced debt to $687 million in 1986 from $1.2 billion in 1985 by using proceeds from asset sales and internal cash flow. CBS incurred heavy debt in 1985 when it bought back more than 20% of its common shares to repel a takeover attempt by Ted Turner.

In the broadcast division, operating profit plunged 39% to $229 million. The TV network accounted for the decline; by contrast, both the owned-and-operated TV stations and the radio division performed well.

The other divisions fared better. While total revenue for CBS's magazine division remained flat at $407 million, operating profits rose to $10.6 million from $4.6 million. This included substantial amortization charges associated with the 1985 acquisition of the Ziff-Davis magazines.

For the most part, the financial community has applauded Mr. Tisch's arrival. Under his regime, CBS has become a much leaner operation. In 1986, the overall work force shrank by about 10%, while corporate staff was reduced by as much as 35%. Mr. Tisch accelerated staff reductions begun under Mr. Wyman.

Job cutbacks and budget slashing have continued into 1987. In March, Mr. Tisch called for a $30 million reduction (about 10%) in the news division, drawing sharp criticism from inside and out. The House telecommunications subcommittee scheduled hearings to discuss the matter in April this year, concerned that the cuts would adversely affect news coverage. Earlier, the Loews acquisition had prompted a request for an investigation by the FCC on the issue of control over the broadcast stations. The FCC responded to the request saying that control had not been transferred. Had it found otherwise, CBS may have been forced to sell some of its broadcast properties.

The staff reductions made last year will save CBS up to $100 million a year, according to some estimates. However, one analyst commented that so far, the cuts have been only a Band-Aid cure. Edward Atorino, communications analyst at Smith-Barney, believes that nothing short of a turnaround in programming and ratings will bring back profitability.

This is no small challenge. For the second successive season, CBS ranked behind NBC in the prime-time TV ratings. CBS dropped from its No. 1 spot for the first time in six seasons at the end of the 1985-86 season. At the same time, CBS lost its chief of programming, Harvey Shephard, to Warner Bros. Mr. Shephard was succeeded by Kim LeMasters. This change is seen as a positive one by observers, who view Mr. Shephard's primary strength as scheduling and Mr. LeMasters' as program development.

Under mounting pressure from advertisers, CBS, like ABC, announced last year it was cutting prime-time prices for early buyers. The cuts, averaging 1% to 5% below 1985 start-of-the-season prices, are unprecedented in view of the network's history of consistent increases. These cuts helped CBS maintain tighter inventory and a firmer price structure, but may affect revenues adversely.

CBS initiated the 15-second commercial to attract new advertisers. Other networks followed. Analysts say the practice has hurt the networks by enabling existing advertisers to capitalize on the savings of shorter spots while not attracting a sufficient number of new advertisers.

CBS Sports renewed an exclusive contract for network TV rights to air the NCAA Basketball Championship tournament through 1990. "Murder She Wrote" and "60 Minutes" were among the top 10 shows of last season.

The close scrutiny of the Tisch regime is no less apparent in other divisions. Despite several inquiries to buy CBS Records, CBS vetoed the idea as operating income of CBS Records grew 114% to $192.1 million in 1986. Mr. Tisch also said CBS had no plans to sell its magazine division, which in

January 1987 sold *The Runner* to Rodale Press.

For the first quarter 1987, CBS reported operating income of $67.9 million, up 30% from the prior year period, while net income grew to $48.7 million from $16.3 million. These gains were attributed to a decline in net interest expense and a strong performance by CBS Records.

Although network TV again showed a loss, this was offset by profits from its TV stations and sales from the Super Bowl. Year-earlier results also were restated to reflect CBS's sale of its book-publishing division in 1986 to Harcourt Brace Jovanovich for $500 million.

CBS INC.
51 W. 52nd St.
New York, N.Y. 10019
(212) 975-4321
Corporate Personnel
Gene Jankowski, president, CBS/Broadcast Group
Peter Diamondis, president, CBS Magazines div

MEDIA PROPERTIES
Broadcasting
TV: CBS Television Network, network owned stations—KCBS-TV, Los Angeles; WBBM-TV, Chicago; WCBS-TV, New York; WCAU-TV, Philadelphia.
RADIO: CBS Radio Network, RADIORADIO, network-owned stations—KNX (AM, FM) Los Angeles; KCBS, KRQR (FM), San Francisco; WBBM (AM, FM), Chicago; WMRQ (FM), Boston; KMOX, KHTR (FM), St. Louis; WCBS (AM, FM), New York; WCAU (AM, FM), Philadelphia; KTXQ (FM), Dallas-Fort Worth; KTLR-FM, Houston; WSUN, WYNF (FM), Tampa-St. Petersburg, Fla.; WLTT (FM), Washington.
Magazines
American Photographer, Audio, Automobile Quarterly, Backpacker, Boating, Car & Driver, Cycle, Cycle World, Field & Stream, Flying, Home Mechanix, Leisure Time Electronics, Modern Bride, Popular Photography, Road & Track, Skiing, Skiing Trade News, Stereo Review, TV Crosswords, Woman's Day, Yachting.

OTHER OPERATIONS
CBS Records Group—CBS Records International, Columbia House, CBS Songs, CBS Masterworks (classical), CBS/Fox (50%).

RANK **30**

Central Newspapers
Indianapolis

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	407.0	384.0	6.0
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	407.0	382.5	6.4
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	1.5	—
Other	—	—	—

Central Newspapers thrives in two disparate markets: the booming Valley of the Sun, Phoenix, Ariz., and Indianapolis, America's so-called surviving crossroads.

Though Central Newspapers is headquartered in Indianapolis, the *Arizona Republic* continues to be the strong horse in the company's stable of newspapers. Average net paid circulation of the morning *Republic* was 343,723 on March 31, 1987, up 3.6% from the same period in 1986, according to ABC FAS-FAX reports. The Sunday Republic grew 6.1% to 539,323 in the same period.

Central Newspapers is no exception to the national trend in declining evening circulation. Despite Phoenix's burgeoning population, the evening *Phoenix Gazette* had average daily circulation of 111,253, down 1.5%, according to ABC.

In Indianapolis, as in Phoenix, Central dominates the daily newspaper market. For decades the company's morning *Indianapolis Star* and evening *News* have been the only dailies in town.

This combined with aggressive downtown development contributed to a slight circulation increase for the Sunday *Star*—to 401,776, up 1.8%, according to ABC.

The evening *News* dropped 6.8% to 119,720 circulation during the year-to-year period, as the morning *Star* increased circulation 0.6% to 227,225.

Central's other dailies in Muncie and Vincennes, Ind., registered slight circulation decreases.

In July 1986, Central ceased publication of its year-old *City Life*, a free weekly entertainment tabloid published by Phoenix Newspapers. *City Life* was launched to compete with the local independently owned *New Times*, but apparently fell short of its mark.

Also in July, the company suspended operations of its Teleguide Videotex service, after 2½ years. "It was not a feasible economic program," says Central President Frank Russell.

The company's joint venture project to develop a newsprint mill in the state of Washington found its fifth and last partner—Knight-Ridder Newspapers, which replaces Chronicle Publishing (*San Francisco Chronicle*), which had bowed out of the project now scheduled to break ground this July.

CENTRAL NEWSPAPERS
307 North Pennsylvania St.
Indianapolis, Ind. 46204
(317) 633-9027
Corporate Personnel
Frank Russell, president
MEDIA PROPERTIES
Newspapers
ARIZONA: *Arizona Republic, Phoenix Gazette.* INDIANA: *Indianapolis News, Indianapolis Star, Muncie Press, Muncie Star, Vincennes Sun-Commercial.*
Newspapers (non-dailies)
ARIZONA: *Arizona Business Gazette.*

Network on shopping spree

Home Shopping Network, Clearwater, Fla., is more than just a cable telemerchandising happening. It now owns 13 UHF stations in the top 25 markets (via a $200 million spending spree in 1986), and has created the "Home Shopping Game," scheduled to appear soon on network affiliates.

RANK **49**

Chronicle Publishing Co.
San Francisco

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	275.0	242.0	13.6
Total sales	278.0	247.0	12.6
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	150.0	129.0	16.3
Magazine	—	—	—
Broadcast	85.0	80.0	6.3
Cable	40.0	33.0	21.2
Other	—	—	—

Chronicle Publishing Co. in 1986 pruned away some non-media holdings and expanded in its areas of strength—newspapers, broadcast and cable TV—as it grew 13.6% to an estimated $275 million in media revenues.

San Francisco-based Chronicle Publishing added another $3 million in sales from a book-publishing operation and returns from the defunct non-media ventures to bring total revenues to $278 million. Media sales do not include income from newspaper properties acquired late last year.

Chronicle eliminated all but media-related properties in 1986, divesting its real-estate holdings and Bay Area Teleguide, a public access videotex system in San Francisco.

Chronicle Broadcasting owns KRON-TV, the NBC affiliate in San Francisco, currently No. 1 in the market in prime time and prime access. The company also owns NBC affiliate WOWT-TV in Omaha, Neb., and

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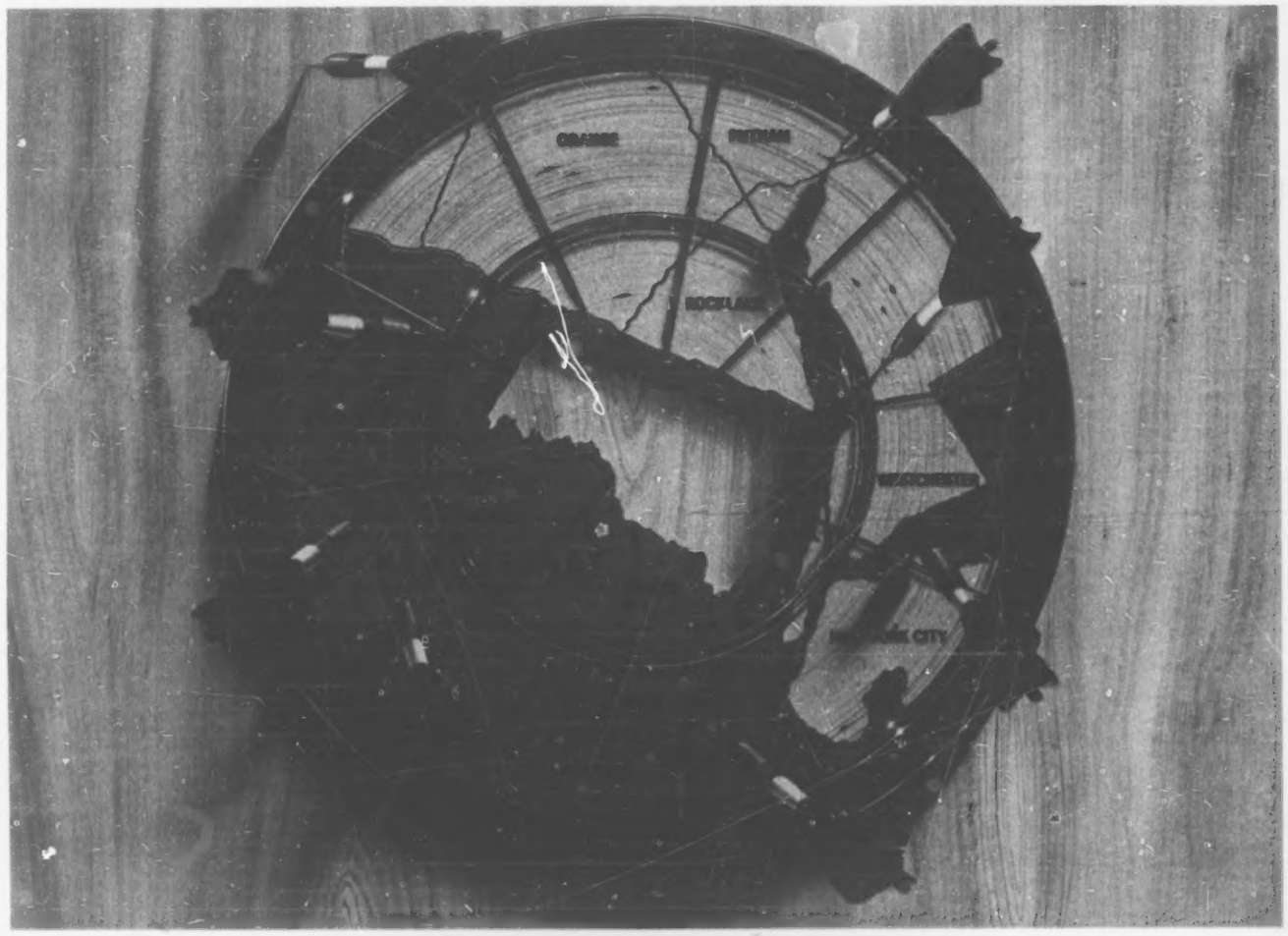

Your media plan may be missing the mark.

If you're taking aim at the New York ADI, make sure your media plan isn't missing an important part of its target audience: the affluent residents of Bergen and Passaic counties in northern New Jersey.

Only one newspaper gives you a clear shot at this lucrative market and the $20.7 billion in purchasing power wielded by the people who live there: The Record, New Jersey's largest evening newspaper.

The Record reaches more adults in the Bergen/Passaic market than any other newspaper, and targets readers with the greatest spending power.

In fact, Record readers have the second highest personal employment income in America, and Bergen/Passaic residents account for more than 21 cents of every dollar spent in the entire state of New Jersey.

In 1985, they dished out an incredible $909 million in restaurants, and rang up $10.1 billion in retail spending. This impressive grand total placed Bergen/Passaic 29th in the nation for total retail sales.

With The Record's Bergen/Passaic audience, you're taking aim at a market whose population of 1,293,400 makes it the 33rd largest in America. And sixty-five percent of this affluent audience cannot be reached regularly in any other newspaper. That's because no other newspaper covers their world so well or so colorfully. The Record's award-winning reporting, full-color graphics and eye-popping demographics give you an advertising forum that hits home with Bergen/Passaic residents like no other newspaper.

The Record. Try to target the Bergen/Passaic market without it, and you're just taking a shot in the dark.

The Record
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150 River Street, Hackensack, N.J. 07601
Call John E. Kimball, Director of Advertising at (201) 646-4259

Sources: The Scarborough Report, 1986 © S&MM Survey of Buying Power, 1986 Simmons-Scarborough National Newspaper Audience Ratings Study, 1985
National Representative: Sawyer-Ferguson-Walker Co.

KAKE-TV, the ABC affiliate in Wichita, Kan. In 1986, Chronicle purchased KOBY-TV, Colby, Kan., from Channel 4 Broadcasting Ltd. for an estimated $1.3 million.

Daily circulation of the morning *Chronicle*, as reported in the March 31, 1987, FAS-FAX reports was 557,934, up 0.9% from the same period in 1986, reversing a downward trend in circulation in recent years. The company's Sunday paper, operating under a joint operating agreement in which revenues and profits are shared with Hearst Corp.'s *San Francisco Examiner*, had circulation of 708,035, down 0.2% from March 1986.

The JOA, forged in 1965, gives the *Chronicle* a morning monopoly and keeps Hearst's *Examiner* an afternoon paper. The *Sunday Examiner & Chronicle* has its news pages supplied by the *Examiner*. The *Chronicle* turns out feature material and editorials. The JOA comes up for renewal in 1991. Either paper can then extend the arrangement for 10 years. Both must agree to continuation of the JOA in 2005. It is believed the *Examiner* might then elect to revert to morning publication. The daily *Examiner* is far behind the *Chronicle* in circulation. The evening circulation as of March 31, 1987 was 142,335, down 5.4%.

Last December Chronicle concluded the purchase of the daily *Worcester* (Mass.) *Telegram & Gazette*, a morning/afternoon newspaper with daily circulation of 134,725 and 128,112 Sunday from the Stoddard and Booth families. Along with the purchase came 12 weeklies and three small dailies owned by Beacon Co., a wholly owned subsidiary of Worcester Telegraph & Gazette Inc. The three dailies were the *Marlboro Enterprise*, *Clinton Daily Item* and *Hudson Daily Sun*.

Chronicle added to its cable interests with the acquisition of Ventura County Cable Systems in California from Storer Communications, Miami. The 58,000-subscriber operation covers eight communities. The Ventura system brings Western Communications cable subscriber total to 238,000, up 36.8% from 1985.

Chronicle Information Services, a division of Chronicle Publishing, currently operates Computer Sports World, a Las Vegas-based sports videotex service offering sports information accessed by PCs and telephones.

CHRONICLE PUBLISHING CO.
Fifth & Mission Streets
San Francisco, Calif. 94119
(415) 441-4444
Corporate Personnel

Richard Thieriot, president
Peter Thieriot, vp, Chronicle Publishing Co.
Ed Allen, president, Western Communications
Francis Martin, president, Chronicle Broadcasting

MEDIA PROPERTIES
Broadcasting

TV: KOBY, Colby, Kan.; KAKE-TV, Wichita, Kan.; KRON-TV, San Francisco; WOWT, Omaha, Neb.

Cable/video

SYSTEMS: CALIFORNIA: Butte County, Carmel-by-the-Sea, Carmel Valley, Chico, Clayton, Concord, Contra Costa County, Corning, Del Monte Forest, Del Ray Oaks, Glenn County, Hemet, Marina, Monterey County, Orland, Pacific Grove, Palm Springs, Salinas, San Mateo County, Seaside, South San Francisco, Ventura County, Willows. NEW MEXICO: Dona Ana County, Los Cruces, Mesilla.

Newspapers

CALIFORNIA: *San Francisco Chronicle, San Francisco Sunday Examiner & Chronicle* (owned jointly with the Hearst Corp.). ILLINOIS: *Bloomington Daily Pantagraph*. MASSACHUSETTS: *Worcester Telegram & Gazette, Marlboro Enterprise, Clinton Daily Item, Hudson Daily Sun*.

OTHER OPERATIONS

Chronicle Books, Chronicle Productions, Chronicle Features, Computer Sports World.

Enquirer seeks new ventures

Parent GP Group, named for sole owner Generoso "Gene" Pope Jr., is taking returns from its gossip tab (*National Enquirer*) to buy or start new publications, beginning this February with testing a monthly review of new videotape releases, *Video Digest*.

Consolidated Press Holdings

RANK 45

Sydney

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	325.0	270.0	20.4
Total sales	325.0	270.0	20.4
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	—	—
Other	325.0	270.0	20.4

This was a year of acquiring and being acquired for the biggest of the free standing insert producers, GFV Communications, based in Livonia, Mich., which at yearend was merged into Consolidated Press Holdings Ltd., Sydney.

Bearing the monogram of its founder, George F. Valassis, who started the four-color free-standing insert field in the early 1970s, GFV now claims $325 million in revenues, which would give it more than half the U.S. FSI market.

Led by the familiar Valassis Inserts, the glossy four-color 8¼-by-11¼ inch folders from several producers have grown to be a familiar part of the weekend newspaper. By late 1986 the then four FSI producers had scheduled 122 insert dates for 1987.

Reportedly it was to cut this number and stabilize FSI rates to advertisers that GFV in November 1986 bought the No. 4 FSI company, Newspaper Co-op Couponing, a division of Marketing Corp. of America, Westport, Conn.

Then on Dec. 3, George Valassis sold the company to Australian media group, Consolidated Press Holdings Ltd., Sydney. Although the move surprised many it probably was clearly in character for Mr. Valassis.

A printer, Mr. Valassis founded GFV as an entrepreneurial venture and is said to have become removed in recent years from day-to-day involvement with details but still felt closely attached to GFV and its personnel. Now in his 50s, he is expected to pursue other interests. Consolidated Press Holdings' chairman Kerry Packer now runs GFV, while GFV's Larry Johnson and David Brandon continue in their posts as president and exec VP-chief operating officer respectively.

With the NCC purchase, GFV moved from a 45% market share to about 55%, according to Lynn Scholz, GFV marketing services. The other two major competitors, Quad/Marketing and Product Movers, fairly evenly split the remaining market, but they also peg GFV at a lower figure than it claims.

For 1987, GFV jumped to 44 insert programs from 33 in 1986. Included this year are 42 original GFV dates plus two from NCC. The 1988 schedule will carry 42. And Ms. Scholz says that GFV is looking for 10% growth next year in the total $700 million FSI market.

This would put total Valassis 1988 sales around $423.5 million, a 30% increase over 1986.

Circulation of Valassis Inserts now stands at 48.5 million, putting total circulation of the 44 1987 insert programs in the 2.1 billion-to-2.2 billion range.

Innovation in both graphic arts and marketing techniques from the major GFV competitors also are keeping the FSI market in continual evolution. One of the biggest moves was the recent introduction of a national, rather than regionalized, insert program by Quad/Marketing, which bought the John Blair Marketing division in 1986. Like GFV, Quad is firmly founded in printing technology, and in February 1986 announced its new rotogravure national insert, printed in a single version for distribution throughout the U.S.

Production economy is a clear advantage, but GFV says it is not thinking about a national program.

Ms. Scholz says "The industry that buys FSIs wants targeted regionalized editions. They don't want to buy and use a full national run. Some customers may buy nationally, but they want to regionalize their presentations."

GFV markets itself, but rarely advertises. The company's major promotional efforts are made directly to customers, principally through a quarterly newsletter, "Couponing Insights," which goes to GFV's package-goods customers.

CONSOLIDATED PRESS HOLDINGS
54-58 Park St.
Sydney, NSW, Australia
011-(612)-282-8000
GFV Communications
35955 Schoolcraft Road
Livonia, Mich. 48150
(313) 591-3000
Corporate Personnel

Larry Johnson, president

MEDIA PROPERTIES

Valassis Inserts and Promotion Watch, both of Farmington Hills, Mich.; Valassis Printing, Livonia, Mich.; Thomas C. Lane Publishing, Durham, N.C.; Valassis Color Graphics, Wichita, Kan.

Continental Cablevision

RANK 33

Boston

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	392.0	295.0	32.9
Total sales	392.0	295.0	32.9
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	—	—	—
Cable	392.0	295.0	32.9
Other	—	—	—

Continental Cablevision boosted its cable holdings, continued with its cluster strategy and through stock buybacks became more tightly controlled in 1986.

Four acquisitions added 82,549 new basic and 72,261 pay subscribers to the multiple system operator, whose basic subscriber count is 1.54 million and pay subscribers, 1.43 million, and helped raise Continental's overall revenues 32.9% to $392 million in 1986.

Privately held Continental paid $127 million for four McClatchy Systems' cable systems—all in the California/Nevada area—raising its total count to 106 systems in 14 states. Purchased were Fresno (Calif.) Cable TV TelCab Communications, Reno, Nev., Nor Cal Cablevision, Yuba City, Calif., and Continental Cablevision of the Sierra Valleys, Stockton, Calif., The latter system also covers the area of Tulare and Visalia, Calif.

Continental has been following a clustering strategy for the past few years, and in 1985 acquired a 3,000-subscriber system, PCNH Inc., in Hampton, N.H., and a 50% interest in Stellar Communications, Chicago, from Tele-Communications. The company also paid $13 million to buy the remaining 60% of Commonwealth Cable Corp., Westfield, Mass., and a 68% interest in Natick Cablevision Corp., Natick, Mass.

The Boston-based company's pay-to-basic ratio, previously one of the highest in the cable industry, dipped dramatically during 1986, from 1:1.5 to 1:1.

The cable industry believes deregulation, begun in 1987, is expected to improve the pay-to-basic ratio industry-wide largely because of the psychological impact of bringing basic charges in line with pay costs. The reasoning is that pay will then "seem" less expensive.

Continental, which in 1985 bought back almost 8% of its stock from Dow Jones & Co., the only corporate stockholder in Continental, continued its strategy of stock repurchases in 1986, buying back an additional 37% of its stock from individual shareholders.

In early 1985, Amos Hostetter became chairman of the company. His previous post of president was filled by Timothy Neher, former exec VP.

CONTINENTAL CABLEVISION
Pilot House, Lewis Wharf
Boston, Mass. 02110
(617) 742-9500
Corporate Personnel

Amos Hostetter, chmn

MEDIA PROPERTIES
Cable/video

SYSTEMS: CALIFORNIA: Continental Cablevision of California—Manteca/Lathrop, Stockton, San Joaquin County; Continental Cablevision of Sierra Valleys-Stockton/Tulare/Vasalia; Fresno Cable TV Ltd.—Fresno/County of Fresno/Clovis/Madera; Nor Cal Cablevision—Yuba City/County of Sutter/County of Yuba/Beale Air Force Base/Marysville/Wheatland; Telcab Communications—Reno/Washoe. NEVADA—Continental Cablevision of Reno-Reno. CHICAGO REGION—Continental Cablevision of Cook County—Calumet City/Calumet Park/Dolton/Riverdale; Elmhurst/Berkeley/Oakbrook Terrace/Bensenville; Elmwood Park, Forest Park, Franklin Park/River Grove/Rosemont/Schiller Park/Lombard, unincorporated DuPage County, Westchester/Hillside; Westmont/Clarendon Hills/Countryside/unincorporated Westmont/Willowbrook, unincorporated Cook County; Continental Cablevision of Morton Grove—Morton Grove. FLORIDA REGION—Continental Cablevision of Jacksonville—Jacksonville. ILLINOIS/IOWA/MISSOURI REGION: Continental Cablevision of Illinois—Freeport/Cedarville/Stephenson County, Kewanee, Lincoln/Logan County, Morton, Pekin/Groveland/Marquette Heights/N. Pekin/S. Pekin/Tazewell County/Tremont, Quincy. Continental Cablevision of St. Louis County—Belleville/Fairview Heights/O'Fallon/St. Clair County/Swansea, Bellefontaine Neighbors/Country Club Hills/Flordell Hills/Moline Acres/Northwoods/Pine Lawn/Riverview/Wherry Housing Base/Overland/Breckenridge Hills/Brentwood/Clayton/Edmundson/Maplewood/St. Ann/University City/St. Louis County—Area B/Maryland Heights/Scott Air Force Base/Albers/Aviston/Clinton County/Damiansville/Freeburg/Lebanon/Mascoutah/New Baden/St. Clair County/Shiloh/Summerfield/Trenton. MICHIGAN REGION—Continental Cablevision of Michigan—Dearborn Heights, Jackson/Blackman Township/Reedvile, Hazel Park/Holland, Lansing/Dewitt/Eaton Rapids/Grand Ledge, Delhi, Delta, Dewitt, Eaton Rapids, Hamlin, Lansing and Oneida Townships, Madison Heights, Oak Park, Roseville, Southfield/Latrup Village, West Bloomfield Township, Westland. NEW/HAMPSHIRE/MASSACHUSETTS/MAINE/CONNECTICUT REGION—Continental Cablevision of Brockton (99.9% owned)—Brockton. Continental Cablevision of Massachusetts/Topsfield/Wenham, Newton/Wayland/Wellesley/Weston, Reading, Saugus/Nahant, Watertown. Continental Cablevision of Needham (99.7% owned)—Needham. Continental Cablevision of New England—Concord/Allenstown/Boscawen/Bow/Pembroke/Hopkinton, Dover/Rollinsford/Somersworth/Berwick/S. Berwick, Lawrence/Methuen/N. Andover, Portsmouth/Eliot/Greenland/Hampton/Kittery/New Castle/Rey/Stratham, Sac/Old Orchard Beach, Salem/Derry. Continental Cablevision of Southern Massachusetts—Hanson/E. Bridgewater/Holbrook/W. Bridgewater/Whitman, Middleboro/Lakeville/Berkley/Dighton/Freetown, Stoughton/Avon/Easton/Raynham. Continental Cablevision of Western New England—Agawam/Granby/Holyoke/S. Hadley/Southwick/Westfield/W. Springfield, Deerfield/Bernardston/Northfield/Sunderland, Enfield/ Northampton/Hatfield/Williamsburg, Springfield/Longmeadow. Continental Cablevision of Winchester—Winchester. Cablevision Service Co.—Bristol, Alexandria/Bridgewater/Bristol/New Hampton. Hillsboro/Antrim/Derring/Hillsboro/Henniker, Seacoast-Durham/Epping/Exeter/Hampton Falls/Newfields/Newmarket/N. Hampton/Raymond/Seabrook. Natick Cablevision Corp.—Natick. Pease Cablevision—Pease Air Force Base. Rockingham County Cablevision—Hampsteed/Plaistow. OHIO—Continental Cablevision of Ohio, Athens/The Plains, Bay Village/Avon Lake, Bellevue/Clyde/Green Springs, Butler Township/Clayton/Englewood/Madison Township/Randolph Township/Trotwood/Union/Vandalia, Eastlake/Fairport Harbor/Garden River/Lakeline/Mentor/Painesville/Timberlake/Wickliffe/Willoughby/Willoughby Hills, Elyria/Carlisle and Elyria Townships, Fairborn/Donnelsville/Enon/New Carlisle, Bath, Bethel and Mad River Townships, Findlay/Arlington/McComb/Mt. Cory/Rawson/Van Buren, Fostoria/Tiffin/Arcadia, Galion/Crestline/N. Robinson/Huer Heights/Harrison Township, Kettering/Beavercreek/Beavercreek Township/Bellbrook/Centerville/Clearcreek Township/Corwin/Franklin Township/Miamisburg/Miami Township/Moraine/Oakwood/Springboro/Sugarcreek/Washington Township/Wayne Township/Waynesville/W. Carrollton, N. Ridgeville/Amherst/Amherst Township, Norwalk/Milan/Monroeville/Norwalk Township, Springfield/Harmony/Moorefield, Pleasant and Springfield Townships/S. Charleston/South Vienna Village, Upper Sandusky/Nevada, Willard/Attica/Greenwich Village/New Haven/New Washington/N. Fairfield/Plymouth/Republic/Shiloh, Xenia/Cedarville/Jamestown/New Jasper/Silver Creek/Spring Valley/Wilberforce/Cedarville/Spring Valley and Xenia Townships. VIRGINIA REGION—Continental Cablevision of Richmond (87.4% owned)—Richmond. Continental Cablevision of Virginia —Ashland/Goochland County, Hanover County, Henrico County, James City County, York County. MINNESOTA—North Central CableCommunications (50% owned)—Anoka/-Andover/Champlin/Ramsey, Elaine/Centerville/Circle Pines/Coon Rapids/Ham Lake/Lexington/Liro Lakes/Spring Lake Park, Burnsville/Eagen, Columbia Heights/Hilltop, Roseville/Arden Hills/Falcon Heights/Lauderdale/Little Canada/Mounds View/New Brighton/North Oaks/Shoreview/ St. Anthony, White Bear Lake/Birchwood Village/Dellwood/Grant Township/Lake Elmo/Mahtamedi/Maplewood/North St. Paul/Oakdale/Vadrais Heights/White Bear Lake Township/Willernie. Continental Cablevision of Northern Dakota County—Inver Grove Heights/Lilydale/Mendota/Mendota Heights/South St. Paul/Sunfish Lake/W. St. Paul. Continental Cablevision of St. Paul—St. Paul. Insight Communications Co., L.P. (40.3%)—Noblesville, Ind./Noblesville/Arcadia/Atlanta/Cicero/Fishers/Hamilton/Tipton City/Tipton County/Westfield. Louisville, Ky.—Clark County/Charlestown/Clarksville/Crestwood/Jeffersonville/LaGrange/Oldham/Orchird/Sellersberg. CENTRAL TEXAS—Giddings/Halletsville/LaGrange/Schuleburg/Weimar. FRANKLIN, VA.—Franklin/Courtland/Isle of Wight/Smithfield/Southampton/Sussex/Wakefield/Waverly/Windsor. UTAH—Sandy/Alpine/American Fork/-Brigham City/Cedar City/Delta/-Lehi/Midvale/Orem/Perry/Pleasant Grove/Springfield/Vernal/W. Jordan. NORTH CAROLINA—Prime Cable of Hickory (33.3% owned)—Hickory/Brockford/Catawba/Catawba County/Claremont/Conover/Granitfalls/Hildebran/Longview/Newton/Rhodhis.

Copley Newspapers

RANK 43

La Jolla, Calif.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	330.0	306.0	7.8
Total sales	332.0	310.0	7.1
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	326.0	304.0	7.2
Magazine	—	—	—
Broadcast	—	—	—
Cable	4.0	2.0	100.0
Other	—	—	—

Copley Newspapers plotted a steady, uneventful course in 1986. Newspaper properties showed overall improvement largely because of growth at the *San Diego Union* and *Tribune*. While less of a factor, maturing cable TV operations, which contribute about 1.2% of corporate revenue, doubled their contribution in 1986 from 1985.

The La Jolla, Cal.-based company reported combined daily circulation for its five California and seven Illinois papers of more than 747,000, up less than 1% from 1985, says Robert F. Crouch, VP-finance.

The Copley executive says expanded coverage in a rezoned market area in San Diego, as well as continuing population growth, has resulted in the increased circulation of the morning *San Diego Union* and evening *Tribune*, whose combined circulation of 375,773 as of March 31, 1987, is up 2.2% from 1986. The gain was offset by losses in other markets, notably in the Los Angeles area where the evening *Santa Monica Outlook* suffered a 12% loss in circulation to 24,854, according to ABC Sept. 30, 1986 audit reports.

Separately, the *Union* reported average daily circulation of 252,686 for the March 31, 1987, ABC audit period, up 3.9% from the same period in 1986. The evening *Tribune* circulation fell 1.3% to 123,087.

Most of Copley's seven daily newspapers in central Illinois and metropolitan Chicago reported small daily circulation declines during 1986. Exceptions were Sunday editions of most papers and the *Joliet Herald News* with 47,413 daily circulation, up 1.3% from the year-earlier period.

Copley's cable TV partnership, Copley/Colony, contributed $4 million, up 100%, to media revenues from Copley's ownership share. The joint venture, a partnership with Colony Communications, Providence, R.I., serves nearly 100,000 subscribers in six Orange County cities.

In its only major property sale of the year, Copley sold its electronic classified ad service in California called CLEO (Computer Listing of Employment Opportunities) to Dallas-based Management Insight.

COPLEY NEWSPAPERS
7776 Ivanhoe Ave.
La Jolla, Calif. 92037
(619) 454-0411

Corporate Personnel

Herbert L. Kalpenbach, president
Harold O. Walker, vp-mktg planning & rsch

MEDIA PROPERTIES

Cable/video

SYSTEMS: CALIFORNIA: San Pedro-Wilmington-Harbor City, Lomita and portions of unincorporated areas, Los Angeles County, Costa Mesa, Cypress, unincorporated area in Orange County.

Newspapers

CALIFORNIA: *San Diego Tribune, San Diego Union, San Pedro News-Pilot, Daily Breeze* (Torrance), *Santa Monica Outlook.* ILLINOIS: *Aurora Beacon-News, Elgin Courier-News, Joliet Herald-News, Lincoln Courier, Springfield State Journal Register, Waukegan News-Sun, Wheaton Daily Journal.*

Newspapers (non-dailies)

CALIFORNIA: *Borrego Sun.* Also, 23 nonpaid circulation weeklies and shoppers associated with dailies.

Other media operations

Copley News Service.

OTHER OPERATIONS

La Casa del Zorro (resort hotel); Copley Computer Services.

RANK **13**

Cox Communications

Atlanta

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,465.3	1,326.0	10.5
Total sales	1,569.0	1,471.5	6.6
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	683.3	644.0	6.1
Magazine	—	—	—
Broadcast	287.0	261.0	10.0
Cable	495.0	421.0	17.6
Other	—	—	—

Privately held Cox Enterprises, still absorbing its 1985 purchase of Cox Communications, operated basically in a stand-pat mode through 1986. "It's not that we weren't interested in acquisitions. In fact, we made bids on several properties," says John R. Dillon, VP-cfo, "but we found the cost of media properties to be extremely high."

The company, however, sold media properties in 1986, which did not stop it from showing a 6.7% growth in overall revenues to $1.57 billion in 1986, and a gain of 10.5% in media revenues to $1.47 billion. Cox's revenue continues to come largely from its newspaper division, which owns 21 dailies, mostly in the Sun Belt from Florida to Arizona.

The newspapers have a combined daily circulation of 1.29 million and Sunday circulation of 1.58 million. But about 35% of the daily circulation and 41% of the Sunday circulation is held by the company's two leading Atlanta papers, the morning *Atlanta Constitution*, and the evening *Atlanta Journal*.

The emergence of James Cox Kennedy, exec VP and scion of the family which controls 97% of the Cox Enterprises stock, as designated heir to Chairman Garner Anthony the end of this year was paralleled by a major change in operating philosophy at the Atlanta newspapers. In late 1986 the company broke a decades-long tradition of promoting its news executives from within the company when it named Bill Kovach, who had been chief of the *New York Times* Washington bureau, as editor of the *Atlanta Journal-Constitution.*

Mr. Kovach, in turn, promptly recruited *Times'* veterans Wendell "Sonny" Rawls and Dudley Clendenin to head the metro news operation and newspapers' features department, respectively.

In 1986, the two Atlanta papers scored net circulation gains of 5%, but virtually all of that gain was accounted for by the *Constitution*, which had daily circulation of 264,812, according to the FAS-FAX report for March 31, 1987. That compared with 251,042 at the same time in 1986. Circulation on the *Journal* was up only 801 on March 31, 1987 from the 187,816 of a year earlier.

The Cox-owned *Miami News*, which has a joint operating agreement with Knight-Ridder's far stronger *Miami Herald*, continued its circulation slide. The paper had a March 31, 1987 circulation of 57,119, down 2.2% from 1986.

The broadcasting group sold WZGO-FM in Philadelphia to Malrite Guaranteed Broadcast Partners, Cleveland, in December. In April, the company sold its CyberTel radio common carrier division to St. Louis investor David Bayer.

Cox neither added nor sold TV stations in 1986. The TV flagship, WSB-TV in Atlanta, an ABC affiliate, has slipped behind NBC affiliate WXIA by 0.2 of a rating point in Nielsen sign-on to sign-off ratings. WSB's 7.1 rating and 23 share were hurt by the lackluster ABC prime-time schedule. Cox boasts possession of the UHF independent with the largest sign-on to sign-off rating in the top 50 markets with WKBD-TV, Detroit. The station is constructing a new $8 million building.

Cox's TV programming division is involved in syndicating several popular shows, including "Entertainment Tonight," "Star Search" and "Lifestyles of the Rich and Famous."

Cox was one of a group of four cable operators which last summer each purchased a 10% stake in the Discovery Channel, a basic cable service specializing in nature and adventure documentaries. Cox also struck a deal in June 1986 to begin bringing the American Movie Classics pay service to subscribers on its systems. Cox officials say the movie channel could reach about 100,000 additional homes under the agreement.

Since the company neither added nor sold cable systems in 1986, cable subscribers were up 2.7% to 1,353,731 in 1986. Subscriptions to premium channels were off 4.3% to 1,206,009. Cox operates 24 cable systems.

COX ENTERPRISES
1400 Lake Hearn Drive
Atlanta, Ga. 30319
(404) 843-5000

Corporate Personnel

Garner Anthony, chmn-ceo
Stan Mouse, sr vp
James Cox Kennedy, exec vp
Kevin O'Brien, exec vp-independent group
Nick Trigony, exec vp-radio
James O. Robbins, president-Cox Cable
David Easterly, president-Cox Newspapers

MEDIA PROPERTIES

Broadcasting

TV: KDNL-TV, St. Louis; KTVU, Oakland-San Francisco; WHIO-TV, Dayton, Ohio; WFTV, Orlando, Fla.; WKBD-TV, Detroit; WPXI, Pittsburgh; WSB-TV, Atlanta; WSOC-TV, Charlotte, N.C.
RADIO: KFI, KOST (FM), Los Angeles; WCKG (FM), Chicago; WHIO (AM, FM) Dayton, Ohio; WIOD, WGTR (FM), Miami; WSB (AM, FM), Atlanta; WSOC (AM, FM) Charlotte, N.C.

Cable/video

SYSTEMS: CALIFORNIA: Bakersfield, Eureka, San Diego, Santa Barbara. CONNECTICUT: Hartford. FLORIDA: Gainesville, Ocala, Pensacola. GEORGIA: Macon, Warner Robbins. ILLINOIS: Quad Cities. IOWA: Cedar Rapids. LOUISIANA: Jefferson Parish, New Orleans. MICHIGAN: Saginaw. NEBRASKA: Omaha. NEW YORK:

More about Florida's Money Market

Fort Lauderdale/Palm Beach is the #1 major Florida market in per capita retail sales.

The News/Sun-Sentinel delivers two out of three readers in Florida's affluent Money Market.

Fort Lauderdale/Palm Beach
News/Sun-Sentinel
Florida's Money Market

Represented nationally by C.W.O. & O.; Sunday Magazine Network, in Florida by Publishers Representatives of Florida.
The News/Sun-Sentinel is a Tribune Company Newspaper.

Staten Island (under development). OHIO: Cleveland. OKLAHOMA: Oklahoma City. RHODE ISLAND: Cranston/Johnston. SOUTH CAROLINA: Myrtle Beach. TEXAS: Lubbock. VIRGINIA: Roanoke, Tidewater. WASHINGTON: Spokane.

Magazines

Palm Beach Life Magazine.

Newspapers (dailies)

ARIZONA: Chandler Arizonan, Mesa Tribune, Tempe Daily News, Yuma Sun & Sentinel. COLORADO: *Daily Sentinel* (Grand Junction). FLORIDA: *Evening Times, Miami News, Palm Beach Daily News, The Post* (West Palm Beach). GEORGIA: *Atlanta Constitution, Atlanta Journal.* OHIO: *Dayton Daily News, Journal Herald, Springfield News-Sun.* TEXAS: *Austin American-Statesman, Longview Daily News, Longview Morning Journal, Lufkin Daily News, Orange Leader, Port Arthur News, Waco Tribune Herald.*

Newspapers (non-dailies)

ARIZONA: *Arizona Pennysaver* (Mesa), *Arizona Spirit, Valley Foothills News* (Yuma). COLORADO: *Delta County, Shopping News.* FLORIDA: *Florida Pennysaver* (West Palm Beach). . OHIO: *DownTowner* (Dayton), *Town & Country Guide, Tri-County Shopper News* (Springfield). TEXAS: *Ad Pak* (Longview), *Community Post, Opportunity Valley News* (Port Arthur).

OTHER OPERATIONS

Datext Inc., Landsburg Co.

Donrey Media Group — RANK 50

Fort Smith, Ark.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	275.0	237.0	16.0
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	225.0	192.0	17.2
Magazine	—	—	—
Broadcast	27.0	28.0	(3.6)
Cable	13.0	8.0	62.5
Other	10.0	9.0	11.1

Donrey Media Group immediately was embroiled in a local controversy at its latest acquisition—the 106-year-old Pulitzer Prize-winning *Pine Bluff* (Ark.) *Commercial*—following the paper's purchase at the end of 1986. Shortly after Donrey took over from Freeman Newspaper Group, the Donrey-appointed general manager fired the Freeman Group executive editor over an editorial dispute.

Whether or not this dispute is symbolic of changes ahead in Pine Bluff, what is almost certain is the paper will become more profitable under Donald Reynolds, the 79-year-old media mogul who lists himself as publisher on each of his 130 newspapers.

The Freeman Newspaper Group purchase, estimated at $20 million, was done in typical Donrey style: Find a family-owned paper that isn't meeting its economic potential, purchase it for cash or with little debt involved, then pump it up to a money-making operation.

The Freeman papers, which in addition to the daily 21,000-circulation *Pine Bluff Commercial*, included a daily and weekly in Arkadelphia, Ark., and a weekly in Yazoo City, Miss., represented Donrey's largest purchase in 1986 and added about 30,000 to the almost 750,000 subscribers Donrey counts. In 1986, it also added the 7,000-circulation *Claremore* (Okla.) *Daily Progress*, and the *Athens Daily Review* (6,800 circulation), but sold Nevada radio stations KORK and KYRK-FM.

Donrey, owned 100% by its founder, talks little about its financial operations. But from media sources, total revenues for the company are estimated at $285 million, with media accounting for about $275 million, up 16% from 1985.

Donrey executives, including Fred Smith, president, who has assumed increasing operating responsibilities, declined to give specific financial information about operations. Newspapers, however, remain the bulk of revenues, although Mr. Reynolds began investing in catfish farming in 1985 and effectively doubled that operation in 1986. A 1985 venture into a cellular telephone operation in Tulsa, Cellular One, was sold in 1986.

Donrey's leading newspaper, the *Las Vegas Review-Journal*, maintained its circulation upswing, increasing daily 8.3% to 114,269 and Sunday 10.9% to 135,407. Las Vegas is one of few Donrey properties facing local print competition. Donrey also operates lucrative outdoor advertising operations, Donrey Outdoor Advertising.

Mr. Reynolds plans to leave his vast holdings, estimated by *Forbes* to be pushing $1 billion in net worth and including seven homes across the U.S., to a foundation that will operate what he began with $300 in cash and $700 in borrowed money.

DONREY MEDIA GROUP
920 Rogers Ave.
Fort Smith, Ark. 72901
(501) 785-7810
Corporate Personnel

Fred W. Smith, president
Don Burris, vp-outdoor, broadcast & cable
Bob Bush, vp-western newspaper div
Ross Pendergrait, vp-eastern newspaper div

MEDIA PROPERTIES

Broadcasting

TV: KOLO-TV, Reno, Nev.
RADIO: KBRS, Springdale, Ark.; KEXO, KLDR-FM, Grand Junction, Colo.; KOCM (FM), Newport Beach, Calif.; KOLO, Reno, Nev.

Cable/video

SYSTEMS: ARKANSAS: Donrey Cablevision-Rogers. CALIFORNIA: Donrey Cablevision-Vallejo; Falcon Cable-Los Angeles. OKLAHOMA: Donrey Cablevision-Bartlesville, Blackwell, Guymon. TEXAS: Kilmore Cable-Kilmore.

Newspapers

ARKANSAS: *Arkadelphia Sitfings Herald, Northwest Arkansas Morning News* (Rogers), *Pine Bluff Commercial, Southwest Times Record* (Fort Smith), *Springdale News, Southern Standard.* CALIFORNIA: *Chico Enterprise-Record, Daily News* (Red Bluff), *Lompoc Record, Ontario Daily Report, Progress Bulletin* (Pomona), *Redlands Daily Facts, Ukiah Daily Journal, Vallejo Times-Herald, Woodland Daily Democrat.* HAWAII: *Hawaii Tribune-Herald* (Hilo), *West Hawaii Today* (Kailua-Kona). ILLINOIS: *Savanna Times Journal.* INDIANA: *Washington Times-Herald.* IOWA: *Clinton Herald, Oskaloosa Herald.* KENTUCKY: *Glasgow Daily Times.* MISSISSIPPI: *Picayune Item, Yazoo City Herald.* MISSOURI: *Moberly Monitor-Index and Democrat.* NEVADA: *Nevada Appeal* (Carson City), *Ely Daily Times, Las Vegas Review-Journal.* NEW MEXICO: *Alamogordo Daily News.* NORTH DAKOTA: *News* (Minot). OKLAHOMA: *Altus Times, Bartlesville Examiner-Enterprise, Blackwell Journal-Tribune, Chickasha Daily Express, Claremore Daily Express, Claremore Daily Progress, Durant Daily Democrat, Frederick Daily Leader, Guthrie Daily Leader, Guymon Daily Herald, Henryetta Daily Free-Lance, Holdenville Daily News, Norman Transcript, Okmulgee Daily Times, Paul's Valley Daily Democrat, Pawhuska Daily Journal-Capital, Port of Catoosa Times-Herald, Wewoka Daily Times.* TENNESSEE: *Daily Herald* (Columbia). TEXAS: *Athens Daily Review, Athens Weekly Review, Borger News-Herald, Cedar Creek Pilot, Clebourne Times Review, Gainesville Daily Register, Jacksonville Daily Progress, Kilgore News Herald, Malakoff News, Sherman Democrat, Sweetwater Reporter, Weatherford Democrat.* WASHINGTON: *Aberdeen Daily World, Valley Daily News* (combination of papers in Auburn, Kent and Renton with separate editions).

Newspapers (non-dailies)

74 non-daily newspapers in 21 states.

Outdoor

Donrey Outdoor Advertising.

Dow Jones & Co. — RANK 16

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,078.0	978.0	10.2
Total sales	1,135.0	1,041.0	9.0
Net income	183.0	139.0	31.7
Sales by media	**1986**	**1985**	**% chg**
Newspaper	917.7	844.0	8.7
Magazine	34.5	32.0	7.8
Broadcast	—	—	—
Cable	—	—	—
Other	125.8	102.0	23.3

Dow Jones & Co., New York, boosted net earnings 32.3% to $183.4 million in 1986 on revenues of $1.14 million, up 9% over 1985, despite a drop in ad linage at the company's flagship, the *Wall Street Journal*.

Journal ad linage was down 1.7% for the year, reflecting the general soft advertising market for most national media. Circulation of the *Journal* closed out 1986 at 2.04 million, up 1.8% from the end of 1985.

The advertising outlook showed signs of improvement during the year's fourth quarter, as *Journal* linage increased 6.3%. Dow Jones is projecting a slight ad linage increase for the *Journal* in 1987.

Earnings for the first quarter 1987, excluding one-time gains from year-to-year period, rose 23% to $37.4 million —an improvement Dow Jones credits partly to a 4.3% growth in ad linage at the *Wall Street Journal*, which also gained 2% in circulation to 2.05 million.

Linage at Ottaway Newspapers was up 4.2% in the quarter.

The *Journal*, which accounts for 65% to 70% of Dow Jones' earnings each year, in 1986 raised its national ad rates 5% and its regional rates 6%. The slowing of inflation, which has made advertisers less tolerant of price increases, did not seem to affect adversely the *Journal*.

Dow Jones' full-year earnings for 1986 included a first-quarter gain of $31.4 million from the sale of part of the company's stake in Continental Cablevision of Boston back to that company. Dow Jones retains a 17% stake in Continental, which has 1,541,000 subscribers.

Increases by the company's information services group and by the Ottaway community newspaper operations helped offset the shortfall in *Journal* linage.

The information services group's operating earnings rose to $41.4 million in 1986 from $17.7 million, while revenues increased 23% to $125.8 million. The group accounted for 15.7% of total Dow Jones earnings in 1986, up from 7.3% in 1985.

The Ottaway community newspaper group's pre-tax operating profit jumped 19%, to $41.9 million, on an 11% revenue increase to $195.1 million. Ottaway publishes daily newspapers in 22 communities.

Circulation of *Barron's*, Dow Jones' other national publication, increased 5.7% during the year, to 279,000, as ad linage and revenue also gained.

The *WSJ* in Europe and Asia grew in advertising by 27% and 11%, respectively, and in circulation by 6.4% and 15%, respectively. Dow Jones also boosted its stake from 49% to 100% in the *Far Eastern Economic Review*, a 64,000-circulation weekly.

The *WSJ* is attempting to adapt to a tougher competitive environment by increasing special sections and stepping up coverage of personal money management.

DOW JONES & CO.
World Financial Center
200 Liberty St.
New York, N.Y. 10281
(212) 416-2000
Corporate Personnel

Warren H. Phillips, chmn-ceo
Ray Shaw, president
Peter R. Kann, exec vp, assoc publisher

MEDIA PROPERTIES

Magazines

American Demographics, Asian Wall Street Journal Weekly, Barron's, National Business Employment Weekly.

Newspapers

Asian Wall Street Journal, Wall Street Journal, Wall Street Journal/Europe. Ottaway Newspaper Group-ARIZONA: *News-Sun* (Sun City). CALIFORNIA: *Santa Cruz Sentinel.* CONNECTICUT: *Danbury News-Times.* KENTUCKY: *Ashland Daily Independent.* MASSACHUSETTS: *Times* (Beverly-Peabody), *Cape Cod Times, Gloucester Daily Times, New Bedford Standard-Times, Newburyport Daily News.* MICHIGAN: *Traverse City Record-Eagle.* MINNESOTA: *Mankato Free Press, Owatonna People's Press.* MISSOURI: *Joplin Globe.* NEW YORK: *Middletown Times Herald-Record, Oneonta Daily Star, Pittsburgh Press Republican, Tarrytown Gazette.* OREGON: *Medford Mail Tribune.* PENNSYLVANIA: *Pocono Record, Sharon Herald, Sunbury Daily Item.*

Other media operations

Dow Jones News Service, DowAlert, Dow Jones News/Retrieval, Dow Jones Cable News (videotex), Telerate Inc. (44.8% interest), *Far Eastern Economic Review* (100% interest), *South China Morning Post* (16% interest), Press-Enterprise Co. (20.1% interest), Continental Cablevision (17% interest).

OTHER OPERATIONS

AP-Dow Jones (50% ownership), Richard D. Irwin Inc. (publisher, newsprint mills).

Dun & Bradstreet Corp. — RANK 8

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,932.0	1,718.0	12.5
Total sales	3,114.0	2,772.0	12.3
Net income	340.0	295.0	15.3
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	406.0	—
Broadcast	—	—	—
Cable	—	—	—
Other	1,932.0	1,312.0	47.3

Dun & Bradstreet's divestiture of Technical Publishing for $250 million in the fourth quarter 1986 scaled down media contributions to its marketing services segment, including Donnelley Marketing cooperative mailing programs, A.C. Nielsen Co.'s marketing and media-research groups and high-tech researcher Dataquest.

D&B actually ended its involvement in magazine publishing through two divestitures. Cahners Publishing bought Technical Publishing, which included 20 magazines and related services in the industrial, medical and technology markets. The publications had a book value of about $41 million; Technical had about 740 employees. The second sale was of Technical's *Dun's Business Month* to Boston-based Goldhirsh Group, publisher of *Inc.* Technical Publishing's ad pages had been dropping, reflecting the downturn in heavy industries and the technology markets served by the publications.

Remaining publishing units include Official Airline Guides and Yellow Pages classified directory publishing, via the Donnelley Directory subsidiary. The 1984 breakup of AT&T has allowed D&B to renegotiate long-term directory deals with regional phone companies, permitting the company to take greater advantage in the growth of its markets. D&B also has expanded its activity in publishing its own line of "proprietary" directories, both in competition with other regional phone companies and in less established territories. This effort has been particularly active in Mideast states, including Pennsylvania and Delaware.

In the marketing sevices segment, the company in July 1986 acquired Market Data Retrieval, a closely held Shelton, Conn.-based marketer of data on businesses, executives and educational institutions.

D&B was outbid in late 1986 for Broadcast Advertiser Reports and its subsidiary, Radio-TV Reports, by Arbitron Ratings Co., a competitor of D&B's Nielsen. Nielsen in September 1987 will drop its long-used diary system of evaluating TV audience composition in favor of the "people meter." ABC-TV has dropped the Nielsen Rating Service. The company originally planned to introduce the people meter in 1986 but fell to pressure from the Big 3 networks to delay the move. The meters have been showing lower demographic ratings for several popular prime-time shows, suggesting the traditional diary method had been overstating viewing levels.

D&B, on behalf of its Nielsen Marketing Research subsidiary, expanded its role in selling grocery ad research via the December 1986 acquisition of Majers Corp., an Omaha, Neb., company that specializes in the measurement of grocery chain product activity. The estimated $30 million acquisition of Majers was expected to complement Nielsen's Scantrack Plus, which provides scanner-based sales data. Both are sold primarily to brand managers.

D&B's non-media business segment, business information services, includes D&B credit services, administration of small-business group insurance plans, commercial collection and computer services and McCormack & Dodge.

The company late in 1986 announced it would end 86 years of operating in South Africa, citing the "direct and indirect effects" of apartheid. Also overseas, Nielsen Marketing Research acquired the Marketindex Co. of Helsinki, bringing to 28 the total number of countries in which Nielsen operates.

DUN & BRADSTREET CORP.
299 Park Ave.
New York, N.Y. 10171
(212) 593-6800
Corporate Personnel

Robert E. Weissman, president-ceo
Kenneth O. Johnson, president, Donnelley Directory
John C. Holt, chmn-ceo, A.C. Nielson Co.
William O. Dwyer, president, Moody's Investors Services

MEDIA PROPERTIES

Dataquest, Donnelley Directory and Donnelley Information Publishing, Donnelley Marketing, Donnelley Marketing Data Processing Operations, Donnelley Information Technology, D&B Business Marketing Services, Financial Services Industry Group, Moody's Investors Services, Nielsen Clearing House, Nielsen Market Research, Nielsen Media Research, Neodata Services, Official Airline Guides, Salesnet, Technical Data Resources.

OTHER OPERATIONS

Business Information Services, including Dun & Bradstreet Credit Services, D&B International, D&B Plan Services (insurance), D&B Receivable Management Services (formerly D&B Commercial Collections), D&B Computing Services, McCormack & Dodge, Petroleum Information, DunsNet, Zytron.

Freedom Newspapers — RANK 41

Irvine, Calif.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	357.0	325.0	9.8
Total sales	357.0	325.0	9.8
Net income	30.0	26.0	15.4
Sales by media	**1986**	**1985**	**% chg**
Newspaper	305.0	280.0	8.9
Magazine	—	—	—
Broadcast	52.0	45.0	15.6
Cable	—	—	—
Other	—	—	—

Earlier this month, dissident Freedom Newspaper heir Harry H. Hoiles lost his battle in court to dissolve the company in a bid for control of the $1 billion-plus publishing chain. The ruling, returned two months after the hearing began, erased at least temporarily the one dark cloud hanging over this otherwise solidly performing media company.

Freedom operates 29 daily and three weekly newspapers in 11 markets across the U.S. and five TV stations. Its lead paper is the *Orange County Register* in Santa Ana, Calif., Freedom's home base until late last year when the company moved its corporate headquarters to nearby Irvine.

Based on details of the company's financial performance disclosed in court documents during the protracted litigation, Advertising Age estimates that Freedom's total sales increased 9.9% to $357 million in 1986, most of it generated by the *OCR*.

Following the purchase of WRGB-TV in Schenectady, N.Y., from General Electric Co. in early March, media acquisition activity by Freedom seems to have ceased. Expansion plans appear to have been moved to a back burner, pending settlement of the court case.

The three immediate heirs of R.C. Hoiles, factionalized into two groups, each own about a third of the privately held company founded in 1935 by R.C. Hoiles when he bought the *OCR*, then the *Santa Ana Register*.

In 1985, R.C. Hoiles' son Harry placed the value of the company at $1.01 billion when he offered to buy the shares of other family members for a total of $682.5 million or sell them his shares for $330 million. Subsequent offers by Mr. Hoiles, which also were rejected, reached as high as $900 million. In the absence of a sale, he

sought to dissolve the corporation. Cited among the points of contention was his objection to Freedom's expansion into TV. The company bought the first of its five TV stations in 1982.

The suit also claimed that other family members froze Harry Hoiles out of a key management position and took a number of actions, including refusing to elect him chief executive of the company, thus damaging the value of his family's stock. Mr. Hoiles' attorney says an appeal of the decision handed down June 2 by a judge in Orange County Superior Court is under consideration.

With an average daily paid circulation of 314,300, according to March 31, 1987, ABC FAS-FAX reports, *OCR* is up 4.4% from year-ago figures. The *OCR* Sunday edition reports a 5.9% gain to 360,404. In its home turf, Orange County, the *OCR* is outpacing the *Los Angeles Times*, which also recorded modest circulation gains for its Orange County edition, according to ABC reports. The *Times* outside Los Angeles and mostly in Orange County, had daily circulation of 165,736, up slightly from a year ago, holding steady with a 22% market penetration in both 1985 and 1986. The *Times* Sunday circulation was 210,440, up 0.3%, for a 28% market penetration in Orange County, the affluent suburban area south of Los Angeles.

Daily circulation of the *OCR* only in Orange County was 294,562, for a 39% penetration, while the *OCR's* Orange County Sunday circulation of 336,581 represented a 45% market penetration.

OCR has 32 community editions, which cover the county with zoned advertising capability (the zoning structure was in the process of being revamped at press time) and local news coverage, providing the newspaper with total market coverage. The community editions are mailed to more than 300,000 households each week and they are inserted in the *OCR* on Tuesdays. Combined with the 8,609 daily circulation of Freedom's *Anaheim Bulletin* and the 4,968 of the *La Habra-Brea Daily Star-Progress*, daily circulation totals 327,877.

Keeping pace with circulation at *OCR* were increases in advertising linage. According to Media Records, the paper ranked No. 1 nationally in 1986 full-run daily advertising, No. 2 in classified, No. 3 in retail and No. 3 in total advertising, up from No. 6 position in 1984. By 1986, the paper had moved to third place, with more full run advertising than the *New York Times*, *Washington Post*, *Chicago Tribune* or *Boston Globe*. Last year the paper published over 5.3 million inches of full-run advertising, the equivalent of 100 ad pages per day.

All of Freedom's five TV properties are CBS affiliates, except for WTVC-TV, Chattanooga, an ABC affiliate. All stations are No. 1 news stations in their markets, except for WLNE-TV, New Bedford, Mass., reportedly in No. 2 position in late night news ratings.

FREEDOM NEWSPAPERS
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Corporate Personnel
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Freedom Broadcasting Co.
1275 Wampanoag Trail
Riverside, R.I. 02915-1040
(401) 433-5200
Corporate Personnel
Gary Chapman, sr vp, broadcasting
MEDIA PROPERTIES
Broadcasting
TV: KFDM-TV, Beaumont, Texas; KTVL, Medford, Ore.; WLNE, New Bedford, Mass./Providence, R.I.; WRGB, Schenectady, N.Y.; WTVC, Chattanooga, Tenn.
Newspapers
CALIFORNIA: *Anaheim Bulletin, La Habra-Brea Daily Star-Progress, Marysville Appeal-Democrat, Porterville Recorder, Orange County Register* (Santa Ana), *Turlock Daily Journal, Victorville Daily Press*. COLORADO: *Colorado Springs Gazette-Telegraph*. FLORIDA: *Playground Daily News* (Fort Walton Beach), *Fort Pierce News Tribune, Panama City News-Herald*. INDIANA: *Crawfordsville Journal Review, Seymour Daily Tribune*. MISSISSIPPI: *Greenville Delta-Democrat Times*. NEBRASKA: *Columbus Telegram*. NEW MEXICO: *Clovis News Journal*. NORTH CAROLINA: *Burlington Times-News, Gastonia Gazette, Jacksonville Daily News, Kinston Daily Free Press, New Bern Sun-Journal*. OHIO: *Bucyrus Telegraph-Forum, Lima News*. SOUTH DAKOTA: *Huron Daily Plainsman*. TEXAS: *Brownsville Herald, Harlingen Valley Morning Star, McAllen Monitor, Odessa American, Pampa Daily News*.
Newspapers (non-dailies)
ALABAMA: *Dothan Progress*. Three weeklies-Dothan. COLORADO: Community Press Newspapers-28 shoppers.

Journal assumes upbeat title

A more contemporary-sounding Journal Communications, Milwaukee, became the new name of employee-owned Journal Co., whose lead properties are the evening *Milwaukee Journal* and morning *Milwaukee Sentinel*. "We felt that it was more indicative of the scope of our company. We don't own a ball team," quipped a bemused Jack Knake, VP-corporate communications, presumably referring to Tribune Co., owner of the Chicago Cubs.

RANK **5**

Gannett Co.

Arlington, Va.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	2,727.0	2,153.0	26.7
Total sales	2,801.0	2,209.0	26.8
Net income	276.4	253.0	9.1

Sales by media	1986	1985	% chg
Newspaper	2,165.0	1,680.0	28.9
Magazine	—	—	—
Broadcast	351.0	265.0	32.5
Cable	—	—	—
Other	211.0	208.0	1.4

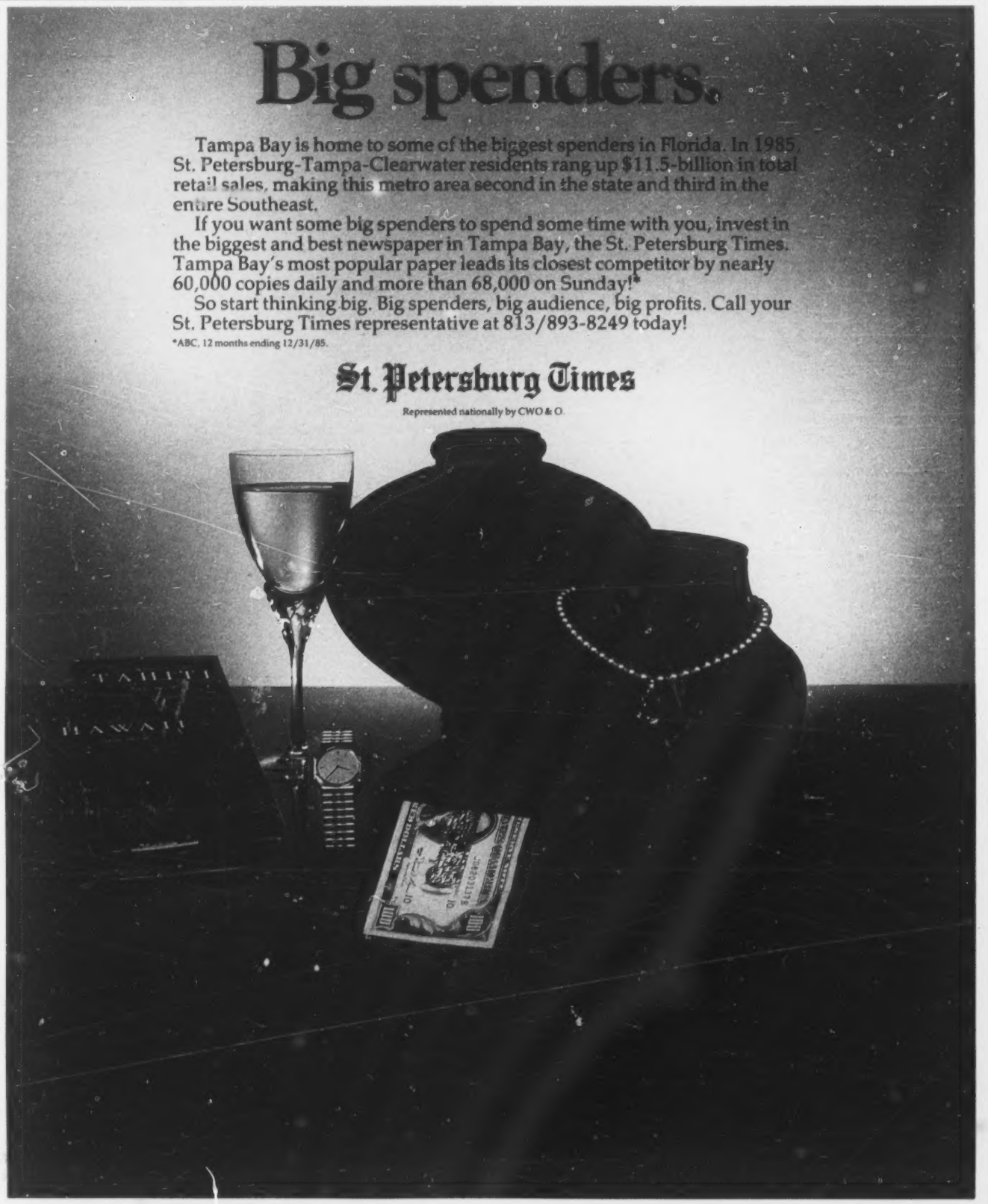
Perhaps the most significant development at Gannett Co. so far this year is its failure to make a major acquisition. Acquisitions in 1986 helped boost net income 9% to $276.4 million and revenues 27% to $2.8 billion.

Those gains continued to roll in in the first quarter 1987, which recorded a 17% jump in net income to $52.3 million and a 16% growth in operating income to $117.1 million over the year-earlier period. Newspaper linage in the first quarter increased 4%, with *USA Today* showing a health 24% rise in linage to help offset "sluggish" national advertising at Gannett's broadcast and outdoor divisions.

By January, Gannett decided to fold the *Louisville Times* evening daily and broaden its *Courier-Journal* into an all-day newspaper. The papers' acquisition earlier in the year from Louisville's Bingham family completed Gannett's purchases of what chairman Allen Neuharth refers to as the "Triple Crown" of dailies, the other two being the *Des Moines Register* and *Detroit Evening News*. The *Arkansas Gazette* also was purchased in 1986, for $51 million, and Gannett sold off its *Knoxville Journal* for $25 million to two executives from the daily.

In broadcast, Gannett last year added WUSA-TV, Washington, by virtue of its purchase in late 1985 of the Evening News Assn., Detroit, for $717 million, and KVUE-TV, Austin, Texas. Both Chairman Mr. Neuharth and President-CEO John Curley predicted *USA Today* would achieve its five-year goal of profitability in 1987, and it did—turning into the black this May. Gannett says the international daily showed ad revenues up 48% through April 24 and that audited circulation for the six months ending March 28 averaged 1,544,547, or up 9% over the previous period. Readership, according to the Mediamark Research spring 1987 survey, ranked *USA Today* as the nation's most widely read newspaper with 4.8 million readers.

Total newspaper ad linage at Gannett in 1986 grew 4%, with classified alone up 8%. This helped to offset a slight decline in national linage. Operating income was $501 million, up 21%, on operating revenues of $2.24 billion, up 29%. Daily circulation for Gannett papers last year declined 1%.


Big spenders.
Tampa Bay is home to some of the biggest spenders in Florida. In 1985, St. Petersburg-Tampa-Clearwater residents rang up $11.5-billion in total retail sales, making this metro area second in the state and third in the entire Southeast.
If you want some big spenders to spend some time with you, invest in the biggest and best newspaper in Tampa Bay, the St. Petersburg Times. Tampa Bay's most popular paper leads its closest competitor by nearly 60,000 copies daily and more than 68,000 on Sunday!*
So start thinking big. Big spenders, big audience, big profits. Call your St. Petersburg Times representative at 813/893-8249 today!
*ABC, 12 months ending 12/31/85.
St. Petersburg Times
Represented nationally by CWO & O.

Operating profit for the Gannett broadcasting division increased 27% to $116 billion, and operating revenues grew by 32% to $351 million.

Gannett's outdoor division grew 9% in operating income to $46 million, as operating revenues were $211 million, up 1%. Gannett attributes the declining numbers to reduced ad expenditures by the alcohol and tobacco industries.

GANNETT CO.
1100 Wilson Blvd.
Arlington, Va. 22209
(703) 284-6000
Corporate Personnel
Allen H. Neuharth, chmn
Thomas Curley, president-*USA Today*
Brian J. Donnelly, president-Metro Newspaper div
Gary L. Watson, president-Community Newspaper div

Gannett Central Newspaper Group
99 E. State Street
Rockford, Ill. 61105
(815) 987-1200
Corporate Personnel
Michael J. Coleman, president
Gannett East Newspaper Group
301 Cuthbert Blvd.
Cherry Hill, N.J. 08002
(609) 662-6262
Corporate Personnel
Robert T. Collins, president
KIIS Radio
6255 Sunset Blvd., Ste. 1926
Los Angeles, Calif. 90028
(213) 466-8381
Corporate Personnel
John R. Cook, president, Gannett radio div
Gannett Outdoor
535 Madison Ave.
New York, N.Y. 10022
(212) 715-5400
Corporate Personnel
Donald W. Davidson, president
Gannett West Newspaper Group
955 Kuenzli, P.O. Box 22000
Reno, Nev. 89520
(702) 788-6200
Corporate Personnel
Susan Clark-Jackson, president
Gannett South Newspaper Group
Gannett Plaza P.O. Box 36300
Melbourne, Fla. 32936
(305) 242-3500
Corporate Personnel
Frank J. Vega, president
Gannett Broadcasting
1611 W. Peachtree Blvd.
Atlanta, Ga. 30309
(404) 892-1611
Corporate Personnel
Cecil L. Walker, president-ceo
MEDIA PROPERTIES
Broadcasting
TV: KPNX-TV, Phoenix; KUSA-TV, Denver; WUSA-TV, Washington; WXIA-TV, Atlanta; WLVI-TV, Boston; KARE-TV, Minneapolis-St. Paul; KOCO-TV, Oklahoma City; KVUE-TV, Austin.
RADIO: KIIS (AM, FM), Los Angeles; KSDO (AM, FM), San Diego; WDAE, WUSA-FM, Tampa-St. Petersburg; WGCI (AM, FM), Chicago; KCMO, KCPW-FM, Kansas City, Mo.; KUSA, KSD-FM, St. Louis; KTKS-FM, Dallas; KKBQ (AM, FM), Houston; KHIT-FM, Seattle.
Newspapers
USA Weekend, USA Today
ARIZONA: *Tucson Citizen*. ARKANSAS: *Arkansas Gazette*. CALIFORNIA: *Indio Daily News, Marin Independent Journal, Palm Springs Desert Sun, Salinas Californian, San Bernadino County Sun, Stockton Record, Visalia Times-Delta*. COLORADO: *Fort Collins Coloradoan*. CONNECTICUT: *Norwich Bulletin*. DELAWARE: *Wilmington Morning News, Evening Journal*. FLORIDA: *Florida Today, Fort Myers News-Press, Pensacola News Journal*. GEORGIA: Gainesville Times. GUAM: *Pacific Daily News* (Agana). HAWAII: *Honolulu Star-Bulletin, Sunday Star-Bulletin & Advertiser*. IDAHO: *Boise Idaho Statesman*. ILLINOIS: *Danville Commercial-News, Rockford Register Star*. IOWA: *Des Moines Register, Iowa City Press-Citizen*. KANSAS: *Coffeyville Journal*. KENTUCKY: *Louisville Courier-Journal*. LOUISIANA: *Monroe News-Star-World, Shreveport Times*. MICHIGAN: *Battle Creek Enquirer, Detroit News, Lansing State Journal, Port Huron Times Herald, Sturgis Journal*. MINNESOTA: *St. Cloud Daily Times*. MISSISSIPPI: *Hattiesburg American, Jackson Clarion-Ledger, Jackson Daily News*. MISSOURI: *Springfield News-Leader*. NEBRASKA: *Fremont Tribune*. NEVADA: *Reno Gazette-Journal*. NEW JERSEY: *Bridgewater Courier-News, Camden Courier-Post, Millville Daily, Vineland Times Journal*. NEW MEXICO: *Santa Fe New Mexican*. NEW YORK: *Binghamton Press & Sun Bulletin, Elmira Star-Gazette, Ithaca Journal, El Diario-La Prensa, Niagara Gazette, Poughkeepsie Journal, Rochester Democrat and Chronicle, Rochester Times-Union, Saratoga Springs Saratogian, Utica Observer-Dispatch*. Westchester Rockland Newspapers-*Mamaroneck Daily Times, Mount Vernon Daily Argus, New Rochelle Standard-Star, Ossining Citizen Register, Peekskill Star, Port Chester Daily Item, Tarrytown Daily News, West Nyack-Rockland Journal-News, White Plains Reporter Dispatch, Yonkers Herald Statesman*. OHIO: *Chillicothe Gazette, Cincinnati Enquirer, Fremont News-Messenger, Marietta Times, Port Clinton News Herald*. OKLAHOMA: *Muskogee Daily Phoenix and Times-Democrat*. OREGON: *Salem Statesman-Journal*. PENNSYLVANIA: *Chambersburg Public Opinion, Lansdale Reporter, Tarentum Valley News Dispatch*. SOUTH DAKOTA: *Sioux Falls Argus Leader*. TENNESSEE: *Jackson Sun, Nashville Tennessean*. TEXAS: El Paso Times. VERMONT: *Burlington Free Press*. VIRGIN ISLANDS: *St. Thomas Virgin Islands Daily News*. WASHINGTON: *Bellingham Herald, Olympia Olympian*. WEST VIRGINIA: Huntington Herald-Dispatch. WISCONSIN: *Green Bay Press-Gazette, Wausau Daily Herald*.
Newspapers (non-dailies)
39 weekly or semi-weekly publications in Connecticut, Florida, Georgia, Iowa, Mississippi, New Jersey, New York, Pennsylvania and Virginia.

RANK **4**
General Electric Co.
Fairfield, Conn.

($ in billions)

Corp. returns	1986	1985	% chg
Media sales	3.0	2.6	12.0
Total sales	36.8	29.3	25.6
Net income	2.5	2.3	9.4
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	3.0	2.6	12.0
Cable	—	—	—
Other	—	—	—

General Electric Co., Fairfield, Conn., continues to digest RCA, its $6.46 billion acquisition that brought on board the RCA subsidiary, National Broadcasting Co., GE's sole media operation.

For the last seven months of 1986—the period of ownership by GE—NBC had revenues of $1.8 billion and operating profit of $203 million. ADVERTISING AGE estimates that full-year revenue for NBC would be $2.97 billion, an increase of 12% over the prior year.

GE's revenues for the first quarter were $8.32 billion, up 41% the same period in 1986. Net income rose 16% to $624 million. GE did not disclose NBC's quarterly results.

GE's influence on its new holdings were seen in several ways. In September, GE sold its 75% interest in the RCA/Ariola record business to Bertelsmann AG, a West German company that owned the other 25%.

At NBC, Robert C. Wright, the president-ceo who came over from GE, looked to make the network more efficient. In the fall NBC announced personnel cutbacks "in the low hundreds" throughout the organization.

NBC continued to lead the networks' ratings race for the second year in a row. For the season ending in April, NBC had a 17.8 overall rating and a 28 share, compared with CBS's 15.8/25 and ABC's 14.1/22. That was the largest lead for network since the 1978-79 season. It was the only network not to pare back its rates.

"The Cosby Show" finished at the top with a 34.9 rating and a 53 share. "Family Ties" finished second with 33.4/50 and "Cheers" was third with 27.5/41. "The Golden Girls" finished fifth at 24.5/41 and "Night Court" was seventh at 23.2/35. The only new fall program that did not survive was "Easy Street." NBC Sports, which averaged a very high 68 million viewers for each game of the 1986 World Series, will broadcast the 1988 Summer Olympics from South Korea.

NBC had five owned-and-operated TV stations before its January 1987 purchase of WTVJ-TV in Miami for $270 million. NBC bought the CBS-affiliate with General Electric Property Management Co., a holding company. GE also brought another TV station into the deal, KCNC-TV in Denver, an NBC affiliate.

GE has yet to sell five of the eight NBC radio stations that are in markets served by its owned-and-operated TV stations. It must do so by December 1987 in accordance with FCC regulation on multiple media properties held in the same market. RCA had cross-ownership rights under grandfather clause privileges, which do not apply to properties if they change ownership. GE has applied to the FCC to retain these properties, however. A ruling has not been handed down.

GENERAL ELECTRIC CO.
3135 Easton Turnpike
Fairfield, Conn. 06431
(203) 373-2211
Corporate Personnel
John F. Welch Jr., chmn-ceo
National Broadcasting Co.
30 Rockefeller Plaza
New York, N.Y. 10112
(212) 664-4444
Corporate Personnel
Robert C. Wright, president-ceo
MEDIA PROPERTIES
Broadcasting
TV: NBC-TV Network, with 207 affiliates. NBC-owned stations: WNBC-TV, New York; KNBC-TV, Los Angeles; WMAQ-TV, Chicago; WKYC-TV, Cleveland; WRC-TV, Washington. GE-owned: KCNC-TV, Denver; WTVJ-TV, Miami.
RADIO: NBC Radio Network. NBC-owned stations: KNBR-AM, KYUU-FM, San Francisco; WJIB-FM, Boston; WNBC-AM, WYNY-FM, New York; WMAQ-AM, WKQX-FM, Chicago; WKYS-FM, Washington.
OTHER OPERATIONS
GE industry segments: aerospace, aircraft engines, consumer products, financial services, industrial, major appliances, materials, power systems and technical products and services.

RANK **24**
Harte-Hanks Communications
San Antonio, Texas

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	575.0	550.0	4.5
Total sales	575.0	550.0	4.5
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	224.0	230.0	(2.6)
Magazine	—	—	—
Broadcast	79.0	74.0	6.8
Cable	39.0	37.0	5.4
Other	233.0	209.0	11.5

Privately held Harte-Hanks Communications, San Antonio, Texas, sold nearly half its operating divisions in 1986 to concentrate on running a smaller number of larger units in attractive markets.

Robert G. Marbut, Harte-Hanks president-ceo, says the company made agreements last year for more than 75 divestitures and 27 acquisitions, including 56 divestitures in November. Even though all the deals did not close during 1986, HH was involved in restructuring the entire year.

Last November, HH announced it would sell 56 operating units. Media properties sold included newspapers, shoppers, broadcast and cable tv systems that only produced 15% of HH's revenue and operating profit, according to HH officials.

Included among the divestitures were 25 newspaper-related units and three shopper-related operations sold to Worrell Communciations, Charlottesville, Va. Worrell then granted Tucker Sutherland, who had resigned from HH as its senior vp-president of the newspaper division, an option to buy nine of the newspaper-related divisions acquired from Harte-Hanks.

Mr. Sutherland, through Sutherland Media, acquired from Worrell six Texas dailies: *Corsicana Daily Sun, Copperas Cove Leader-Press, Universal City Herald-News, Medical Gazette*, San Antonio, *Wingspread*, serving Randolph Air Force Base and *News Leader*, serving Fort Sam Houston.

Radio & Records, a 7,800 circulation weekly trade publication for the radio and recording industry, was purchased from HH by Westwood One.

HH also completed the sale of KYTV in Springfield, Mo., to Schurz Communications, South Bend, Ind. It was the only TV station among the operating units being sold.

HH sold 13 cable TV systems serving 25 communities in seven states to First Carolina Communications, Rocky Mount, N.C. Although cable is still one of its five core businesses, the company wants to focus resources on operating a smaller number of systems in larger growing markets, officials say. Industry observers say HH put the units on the block to reduce the bank debt from its leveraged buyout in 1985 that took the company private. Harte-Hanks continues to operate cable systems in suburbs of Houston, Miami and Philadelphia, with a total of 103,600 subscribers.

HH ceased publication of *Texas Weekly* magazine in August 1986. The Sunday magazine, concentrating on Texas news and features, was begun September 1985 to replace Gannett Co.'s *USA Weekend* in some of the 13 HH-owned Texas newspapers. It ran as a news feature in others, but lack of ad support HH credits to the poor Texas economy forced its closure.

Corpus Christi (Texas) *Times*, an afternoon newspaper with a circulation of 22,667, was discontinued this June 1. Officials of the Caller-Times Publishing Co. say resources spent on the afternoon paper would be transferred to the morning *Caller*, now called the *Caller-Times*. Some jobs were eliminated. The combined *Caller-Times* has circulation of 69,807 on Saturdays and 90,857 on Sundays, according to ABC FAX-FAX reports for March 31, 1987. The *Caller-Times* is largest newspaper owned by HH.

HH merged its San Antonio direct mail operation with its Houston direct mail facility. Houston will increase significantly production capacity to handle business now being handled by the San Antonio unit.

HH Community Newspapers in nine North Dallas suburbs launched a major promotion in September called The Sell Classifieds. The promotion guaranteed that if an item advertised did not sell within a week that advertiser would get another week of free advertising.

HH is the country's largest publisher of shoppers, which are grouped into 380 zoned editions, reaching more than 5 million households weekly. The largest shopper is in Southern California and has a circulation of 2.4 million. Last year, HH acquired from Mel Skolnik the *South Coast Shopper*, a weekly direct-mail shopper with a 32,000 circulation in southern Orange County. The combined circulation of the two provides advertisers with total Orange County coverage. Harte-Hanks California CDM in Brea, Calif., also acquired Greensheet Publications, publisher of *Greensheet Shopper*, in Van Nuys, from Tribune Co., Chicago.

One other big portion of HH business is Harte-Hanks Direct Marketing, consisting of five marketing service companies and 11 direct-mail systems that offer advertisers direct mail programs reaching 96% of American households. It has three alternate delivery systems which can reach more than half a million households via hand delivery.

HARTE-HANKS COMMUNICATIONS
Harte-Hanks Tower
7710 Jones Maltsberger
San Antonio, Texas 78216
(512) 829-9000
Corporate Personnel
Robert G. Marbut, president-ceo
Larry D. Franklin, coo-exec vp
MEDIA PROPERTIES
Broadcasting
TV: KENS-TV, KENS-II San Antonio, Texas; WFMY-TV, Greensboro/High Point, N.C.; WTLV, Jacksonville, Fla.
Cable/video
SYSTEMS: FLORIDA: Miami, Okeechobee. NEW JERSEY: Asbury Park, Ocean. PENNSYLVANIA: Delaware County, Montgomery County. TEXAS: East and West Houston.
Newspapers
MASSACHUSETTS: *Daily Transcript* (Dedham), *Middlesex News* (Framingham), *News-Tribune* (Waltham). SOUTH CAROLINA: *Anderson Independent-Mail*. TEXAS: *Abilene Reporter-News, Bryan-College Station Eagle, Corpus Christi Caller-Times, Denison Herald, Herald Banner* (Greenville), *Lewisville Daily Leader, Plano Star-Courier, San Angelo Standard-Times, Wichita Falls Record News, Wichita Falls Times*.
Newspapers (non-dailies)
MASSACHUSETTS: *Arlington Advocate, Belmont Citizen, Belmont Herald, Needham Chronicle, Newton Graphic, Parkway Transcript* (Roslindale), *Sudbury Town Crier, Watertown Sun, Wayland-Weston Town Crier, Wellesley Townsman, West Roxbury Transcript, Winchester Star*. TEXAS: *Addison/North Dallas Today, Allen American, Carrollton Chronicle, Colony Leader, Commerce Journal, Coppell Gazette, Farmers Branch Times, Harte-Hanks Graphics* (San Antonio), *Mesquite News, Trademark Press* (Corpus Christi), *Nortex Press* (Wichita Falls).
Other media operations
Harte-Hanks Direct Marketing.

RANK **12**
Hearst Corp.
New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,529.0	1,428.2	7.1
Total sales	1,750.0	1,604.2	9.1
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	390.0	369.0	5.7
Magazine	780.0	738.0	5.7
Broadcast	280.0	250.0	12.0
Cable	9.0	7.0	28.6
Other	70.0	64.2	9.0

Hearst Corp., on the heels of a soft year in media sales, rebounded in 1986 to post improved performances in magazines, broadcasting and books/publishing. The company also stepped up its pace of expansion.

Hearst, celebrating its 100th year in 1987, invested in the division it has had the most trouble with recently—newspapers—with the March 1987 acquisition of the *Houston Chronicle*, Texas' largest daily newspaper.

The *Chronicle* was Hearst's second largest purchase, following its March 1986 acquisition of WCVB-TV, the ABC affiliate in Boston, from Metromedia Inc. for $450 million.

The *Chronicle* purchase reinvigorates a division characterized more recently by selloffs, closures and declining metro dailies. Hearst closed down the failing *News-American* in Baltimore in 1986. Losses continue at its *Los Angeles Herald Examiner*. Hearst publishes 15 daily newspapers with a combined circulation of 1.5 million and 2.6 million on Sundays.

In late 1986, Hearst purchased the News America Syndicate Division of News America Holdings. News America is a U.S. holding company for Rupert Murdoch's News Corp. Ltd.

The nation's largest publisher of monthly magazines, circulating just over a quarter billion copies of 12 monthlies, one bi-monthly and other special magazines, closed out 1986 with the purchase of *Esquire* for $50 million plus future payments.

March '87 saw the debut issue of *Victoria*, a spinoff of *Good Housekeeping* that reflects the romance of the Victorian era, with an initial circulation of 400,000.

Hearst Broadcasting, sparked by impressive second-half performances by WCVB-TV, Boston; WBAL-TV, Baltimore; KMBC-TV, Kansas City, Mo.; and WDTN-TV, Dayton, Ohio, was reported to have made a strong comeback after a somewhat disappointing 1985. The company's six VHF TV stations and seven radio stations make Hearst one of the largest group broadcasters in the U.S.

The cable communications division's Cablevision of California acquired the Mountain View, Calif., system from Viacom International. The purchase brought the number of Hearst cable systems in northern California to six and added another 10,000 basic subscribers for a total of nearly 50,000.

The Lifetime cable network, jointly owned by Hearst, ABC Video Enterprises and Viacom, became both fee and advertiser-supported in 1986. The network now serves 27 million homes. Arts & Entertainment (A&E) network,

another joint ownership of Hearst, ABC and RCA Cable Inc., now serves 20 million households on 2,200 cable systems in the U.S. and Canada.

HEARST CORPORATION
959 Eighth Ave.
New York, N.Y. 10019
(212) 262-5700
Corporate Personnel

Frank A. Bennack, president
John G. Conomikes, vp, genl mgr-broadcasting
Gilbert C. Maurer, president-magazine div
Raymond E. Joslin, president-cable div
Robert J. Danzig, genl mgr-newspapers

MEDIA PROPERTIES

Broadcasting

TV: KMBC-TV, Kansas City, Mo.; WBAL-TV, Baltimore; WCVB-TV, Boston; WDTN-TV, Dayton, Ohio; WISN-TV, Milwaukee; WTAE-TV, Pittsburgh.
RADIO: WAPA, San Juan, P.R.; WBAL, WIYY-FM, Baltimore; WTAE, WHTX-FM, Pittsburgh; WISN, WLTQ-FM, Milwaukee.

Cable/video

CHANNELS: Arts & Entertainment Network, Lifetime Network.
SYSTEMS: CALIFORNIA: Hearst Cablevision of California—Los Gatos, Milpitas, Mountain View, Newark, Santa Clara, Saratoga.

Magazines

American Druggist, Colonial Homes, Connoisseur, Cosmopolitan, Country Living, Diversions, Electronic Products, Esquire, Good Housekeeping, Harper's Bazaar, House Beautiful, Motor Boating & Sailing, Motor Magazine, Popular Mechanics, Redbook, Sports Afield, Town & Country.

Newspapers

CALIFORNIA: *Los Angeles Herald Examiner, San Francisco Examiner.* FLORIDA: *Clearwater Sun.* ILLINOIS: *Edwardsville Intelligencer.* MICHIGAN: *Huron Daily Tribune, Midland Daily News.* NEW YORK: *Albany Knickerbocker News, Albany Times-Union.* TEXAS: *Beaumont Enterprise, Houston Chronicle, Laredo Times, Midland Reporter-Telegram, Plainview Daily Herald, San Antonio Light.* WASHINGTON: *Seattle Post-Intelligencer.*

Newspapers (non-dailies)

MICHIGAN: *Marlette Leader, Vassar Pioneer Times.* TEXAS: *Jasper News Boy.*

Other media operations

Hearst Books/Business Publishing: Arbor House, Avon, Beech Tree Books, Greenwillow Books, Hearst Books, Hearst Marine Books, William Morrow & Co., Fielding's Guides, Morrow Junior Books, Motor Books, Lothrop, Lee & Shepard; Quill Trade Paperbacks, American Druggist Blue Book, Electronic Engineers Master Catalog, Electronic Products, Floor Covering Weekly, Industrial Machinery News, Integrated Circuits Master Catalog, Motor Crash Estimating Guide, NARP, Office World News, Office World Newswatch, Retirement Advisors, Today's Office, Magazine Distribution: Eastern News Distributors, Communications Data Services, International Circulation Distributors, Periodical Publishers Service Bureau.

OTHER OPERATIONS

Cal Graphics, Down East Timberlands, Hearst Advertising Service, Hearst Feature Service, Hearst Metrotone News, Hearst Realties, King Features Entertainment, King Features Syndicate, Reader Mail, San Francisco Realties, Sunical Land & Livestock Division.

RANK **39**

Ingersoll Publications

Princeton, N.J.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	370.0	235.0	57.4
Total sales	370.0	235.0	57.4
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	370.0	235.0	57.4
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	—	—
Other	—	—	—

Ingersoll Publications continues to stick to the newspaper business, concentrate on smaller suburban weeklies and dailies, and pursue acquisitions aggressively—a strategy that produced total media sales of $370 million in 1986, up 57.5% from the year earlier.

In the past year, the Princeton, N.J.-based company has acquired 23 newspapers in eight states, including 10 newspapers in New Jersey: *Northern New Jersey Suburbanite, Teaneck Suburbanite, Ocean County Reporter, Summit Independent, Independent Press, Short Hills/Millburn Independent, Madison Independent, Independent of the Chathams, Berkley Heights/New Providence Press, Suburban News Target.*

Ingersoll paid more than $25 million last winter for its first Wisconsin newspaper, the evening *Sheboygan Press* with circulation of 29,690 on March 31, 1987, according to AEC's FAS-FAX report. The company also purchased the *New Haven* (Conn.) *Register*. In Delaware, it added *Town Talk/Delaware, Brandywine* and *Wilmington West;* in Indiana, the *Anderson Herald* and *Anderson Daily Bulletin;* in Michigan, the *Ionia Sentinel-Standard, Lake Odessa-Sentinel* and *Portland Sentinel;* in North Carolina, the *Courier-Tribune*, and in Pennsylvania, *Town Talk Newspapers.*

Also, in mid-May Ingersoll entered into a partnership with Chanry Communications on Long Island, which publishes 40 weeklies in that area as part of the Center Island Pennysaver group. "We're enthusiastic about both dailies and weeklies, but the weeklies are growing faster. The dailies are a little less volatile since they already have the circulation," notes Ralph Ingersoll II, the company's chairman.

In Connecticut, the last edition of the morning *Journal-Courier* was printed in late March 1987. Ingersoll, which bought the *Journal-Courier* and *New Haven Register* last May for nearly $200 million (four times the annual revenue)—its largest purchase to date—merged the two publications and converted the afternoon *Register* to a morning publication. Combined daily circulation, according to March 31, 1987 FAS-FAX data, was 120,886, down 5.6% from the corresponding period in 1986.

Offices in Lakeville, Conn., New York City and Philadelphia were shut down last summer and the Ingersoll headquarters consolidated in Princeton.

David Carr became president, succeeding Thomas Geyer, who was named editor and ceo of the *New Haven Register*. With the organization since 1966, Mr. Carr was the creator of the "St. Louis Suburban ring," a paradigm of Ingersoll's saturation strategy that has been duplicated in Youngstown, Ohio, Providence, R.I., Philadelphia, and most recently, northern New Jersey. By clustering newspapers in a region, Ingersoll has been able to build substantial readership and blanket the area, often challenging the dominant daily there.

The northern New Jersey situation is sparking debate in media circles as to whether the company intends to go up against Macromedia's *Bergen County Record*, the dominant ad medium in the area. While Mr. Ingersoll insists there is plenty of room for all, last October he grouped nine locally edited newspapers, with 28 zones midweek and an additional 10 on Sunday, under a new marketing organization, Suburban Newspapers of Northern New Jersey. The papers have a combined daily circulation of 156,765, according to ABC FAS-FAX reports.

Together the publications cover Bergen and Passaic counties, and parts of Morris, Union, Hudson and Essex counties. Package buys are available for advertisers who want to run in a minimum of four newspapers. "From a news point of view, we're clearly not competition," says Chazy Dowaliby, senior publisher of the Bergen division of Suburban Newspapers of Northern New Jersey, stressing the community nature of the coverage. "If anyone feels there is competition, it is probably with our regional advertising, but many of our regional advertisers also advertise in the *Record*. They don't feel there's a conflict."

INGERSOLL PUBLICATIONS CO.
457 N. Harrison Street
Princeton, N.J. 08540
(609) 683-5300
Corporate Personnel

Ralph Ingersoll, chmn

MEDIA PROPERTIES

Newspapers

CALIFORNIA: Costa Mesa newspapers, Costa Mesa-*Orange Coast Daily Pilot*. JFP Publications, Glendale-*Glendale News Press, Burbank Daily Review*. CONNECTICUT: Milford Publishing, Milford-*Milford Citizen*; New Haven Newspapers-*New Haven Register*. ILLINOIS: Suburban Newspapers of Greater St. Louis-*Alton Telegraph*. INDIANA: Anderson Newspapers-*Anderson Herald—Bulletin*; Terre Haute Newspapers, *Terre Haute Tribune-Star*. MASSACHUSETTS: Berkshire Newspapers, North Adams-*North Adams Transcript*. Northeast Publishing, Fall River-*Fall River Herald News*. MICHIGAN: *Ionia Sentinel-Standard, South Haven Daily Tribune-Sentinel-Standard, Lake Odessa-Sentinel, Portland Sentinel*; Royal Oak Newspapers, Royal Oak-*Royal Oak Tribune*. MISSOURI: Suburban Newspapers of Greater St. Louis-*News Democrat*. NEW HAMPSHIRE: Eagle Publications, Claremont-*Eagle-Times*. NEW JERSEY: Capital City Publishing, Trenton-*Trentonian*. Precision Publications, Toms River-*Toms River Ocean County Times-Observer*. Precision II & Seacoast Publications- *Ocean County Reporter*; Westfield Newspapers-*Suburban News Target*. NEW YORK: Mid-Hudson Publications, Kingston-*Daily Freeman*; Oneida Publications, Oneida-*Oneida Daily Dispatch*; Tonawanda Publishing Corp., North Tonawanda-*Tonawanda News*. NORTH CAROLINA: Asheboro Publications-*Courier-Tribune*. OHIO: Massillon Newspapers, Massillon-*Evening Independent*; Phoenix Publications, Niles-*Daily-Times*; Warren Newspapers, Warren-*Tribune Chronicle*. PENNSYLVANIA: Central States Publishing, Primos-*Delaware County Times*; Community Service Publishing, Coatesville-*Coatesville Record*; Peerless

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Publications, Pottstown-*Mercury*; Phoenixville Newspapers, Phoenixville-*Evening Phoenix*; Shenandoah Valley Publishing, Shenandoah-*Evening Herald*; West Chester Newspapers, West Chester-*Daily Local News*. RHODE ISLAND: New England Newspapers, Pawtucket-*Pawtucket-Central Falls Times*, Woonsocket-*Woonsocket Call & Reporter*; WISCONSIN: Press Publishing Company-*Sheboygan Press*.

Newspapers (non-dailies)

CALIFORNIA: JFP Publications, Glendale-*Leader, Burbank Weekly Review, Glendale Weekly Review, North Hollywood Review, Huntington Beach Independent, Fountain Valley Independent*. CONNECTICUT: Milford Publishing, Milford-*Stratford Bard, West Haven News, Milford Reporter*. DELAWARE: Town Talk Newspapers/Delaware-*Town Talk/Delaware, The Brandywine, Wilmington West*. ILLINOIS: Suburban Newspapers of Greater St. Louis-*Alton Citizen Journal, Bethalto American Journal, Wood River Journal, Belleville Journal, Cahokia/Dupo Journal, Collinsville Herald, Collinsville Journal, Collinsville Herald Journal, County Journal, East St. Louis News Journal, Edwardsville Journal, Fairview/O'Fallon Journal, Granite City Press-Record, Granite City Journal, Granite City Press Record Journal, News Journal*. INDIANA: Indiana Weeklies. MICHIGAN: Royal Oaks Newspapers, Royal Oaks-*Tribune Plus*. MISSOURI: Suburban Newspapers of Greater St. Louis-*Central West End Journal, Clayton Citizen Journal, County Star Journal, Courier Journal, Fenton Journal, Jefferson County Journal, Meramec Journal, Neighborhood Journal, North County Journal, North Side Journal, Northwest County Journal, Press Journal, St. Charles Journal, South County Journal, South Side Journal, Tri-County Journal, T.V. Week-Jefferson County, Warrenton News-Journal, Weekend Journal, West Citizen Journal, West County Journal*. NEW HAMPSHIRE: Eagle Publications, Claremont-*Claremont/Springfield (Vt.) Advisor*. NEW JERSEY: Capital City Publishing, Trenton-*Midweek, Weekend*. Fair Lawn Shopper Co., Fair Lawn-*News Beacon, Shopper, Week Ahead*. Manahawkin Newspapers, Manahawkin-*Beach Haven Times, Beacon, Summer Times*. M/C Newspapers, Paramus-*Town News*. Northern New Jersey Suburbanite-*Northern New Jersey Suburbanite, Teaneck Suburbanite*. Precision Publications, Tom River-*Jackson News, Point Pleasant Leader, Ocean County Reporter*. Riverdale Publishing, Butler-*Suburban Trends*. RNI Publications, Ridgewood-*Ridgewood News, Local Review, Sunday News, Sunday Post*. Suburban News, Franklin Lakes-*Suburban News*. Summit Independent—*Summit Independent, Independent Press, Short Hills/Millburn Independent, Madison Independent, Independent of the Chathams, Berkley Heights/New Provident Press*. Today Newspapers, Wayne-*Dateline Journal, Lakeland Today, Passaic Valley Today, Suburban Life, Wayne Today, West Milford-Ringwood Argus Today*. Westfield Newspapers—*Suburban News Target*. NEW YORK: Tonawanda Publishing Corp., North Tonawanda-*Kenmore Record-Advertiser, Tonawanda News Extra*. OHIO: Phoenix Publications, Niles-*Girard News, Hubbard News, Liberty News, Austintown Leader, Poland Clarion, Howland Bandwagon, Courtland Home News, Western Reserve Democrat, Brookfield Masury News*. PENNSYLVANIA: Acme Newspapers, Ardmore-*Main Line Times, News of Delaware County, Neighbors News, Germantown Courier, West Philadelphia Scene, TMC News*. Community Service Publishing, Coatesville-*Tri-County Shopper News, Chester County Courier*. Town Talk-*Town Talk Newspapers*. Media Editions, Ashton/Brookhaven/Chester Editions. Wayne Publications, Wayne—*Suburban and Wayne Times, Suburban Advertisers, King of Prussia Courier*.

International Thomson Organisation

RANK **25**

Toronto

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	549.0	560.0	(2.0)
Total sales	2,530.0	2,609.0	(3.0)
Net income	143.0	164.0	(12.8)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	549.0	560.0	(2.0)
Broadcast	—	—	—
Cable	—	—	—
Other	—	—	—

International Thomson Organisation, which continues to shift out of the highly volatile oil and gas industries and into publishing and leisure and travel, spent $610 million on information and publishing acquisitions in 1986, quadrupling for the second consecutive year its outlays on all acquisitions.

Major purchases in 1986 included Cordura Corp. in June for $204 million, and South-Western Publishing Co. for $265 million in December. Cordura, now Mitchell International, publishes a range of automotive repair manuals and estimating data for the U.S. casualty-insurance industry. South-Western is a publisher of high school business texts. To help pay for the acquisitions, Thomson raised $290 million by issuing Canadian preference shares.

Oil and gas holdings provided only 19.9% of total income in fiscal 1986, down sharply from 50.3% a year earlier. Revenues from the same properties contributed 13% of the corporate total, down from 26% in 1985. For fiscal 1986, ITO had income of $153 million, down 12.8%, and revenues of $2.53 billion, down 3%.

Information and publishing segment accounted for $1.02 billion in revenues, or 40.4% of the total, up from 34% of the total in 1985. For the purpose of this issue, four out of the six groups comprising the segment contain operations that classify as U.S. media: International Thomson Business Press had revenues of $184.2 million in 1986; InFiNet generated $72 million; International Thomson Professional Publishing, $164 million, and International Thomson Publishing, $214.8 million. Some 87% of all this is from U.S. properties.

Medical titles are the backbone of Thomson's U.S. business press activity, but publications addressing industrial, transportation and retail complement this core.

Lead publications in the medical field are *Medical Economics*, a fortnightly, and one of a number of titles published by Medical Economics Co., Oradell, N.J. Latest available revenue data for *ME* is for 1985 when the publication dropped 6.2% in ad revenue to $19.5 million on a decline in pages of 14.2%, according to *Folio:400*, which compiles statistical data on consumer and business magazines.

Mitchell lends its reference manuals titles to a Thomson automotive sector that includes Ward's Communications, publisher of Ward's *Auto World*.

InFiNet includes the publishing of newspapers, *American Banker, Bond Buyer* and *Credit Markets* among other activities.

U.S. dollar figures for this profile were converted from British pounds at the rate of 1 pound sterling=$1.47. The same figure was applied to 1985 figures for comparison. The British pound improved 1.4% against the U.S. dollar during the 1986 calendar year.

By the early 1990s, ITO expects half its profits to come from North American holdings, largely information and publishing.

First quarter 1987 returns show revenues of $585 million, up 15.2%, although net income dropped from $19 million to only $2 million largely because of reduced earnings from oil and gas holdings primarily in the North Sea area. Again, information and publishing interests—the latter including a "particularly encouraging performance from business magazines in the U.S."—proved the strength of International Thomson.

James Cole, media analyst with Toronto's McCarthy Securities Ltd., says the company will continue to redeploy cash flow out of the U.K. and into the U.S. where the greater portion of assets currently are located.

Although public, 73.5% of ITO's common shares are owned by the family of Lord Thomson of Fleet, the same Thomson family that owns 61% of Thomson Newspapers, profiled elsewhere in this issue. Administratively, Thomson family operates from Toronto the Woodbridge Co. Ltd., which controls by itself or through affiliates both Thomson Newspapers and ITO.

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Peter A. Shipman, president-ceo, InFiNet

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Corporate Personnel

Charles P. Daly, president-ceo

International Thomson Publishing
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Corporate Personnel

Donald A. Schaefer, president-ceo

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Corporate Personnel

Jack C. Fleming, president-ceo

MEDIA PROPERTIES

Magazines

Clark Boardman Co. Ltd.—*Securities and Federal Corporate Law, Searches & Seizures, Arrests & Confessions, Licensing in Foreign & Domestic Operations*. Warren, Gorham & Lamont—*Federal Income Taxation of Corporations & Shareholders, Journal of Taxation, Practical Accountant, Real Estate Review, Bankers Magazine Corporate Accounting Journal*. International Thomson Industrial Press—*Tooling & Production, Purchasing World*. Ward's Communications—*Ward's Auto World, Ward's Automotive International*. International Thomson Communications—*Cablevision*. International Thomson Retail Press—*Consumer Electronics, Video Business, Toy & Hobby World, Convenience Store Merchandiser*. International Thomson Transport Press—*American Sailings, Traffic World, The Official Railway Guide, Motor Carrier Directory*. Medical Economics Co.—*Medical Economics, Physician's Desk Reference, AIDS Alert, Today's Nursing Home, Veterinary Economics, Drug Topics, RN*. Med Publishing—*Practical Cardiology*. Mitchell International—*Mitchell Manuals, Mitchellmatix*. South-Western Publishing Co.—*Century 21 Accounting, Century 21 Typewriting, Accounting Principles & Practices*. PWS/Kent—*Calculus With Analytic Geometry*. Brooks/Cole—*Foundations of College Chemistry*. Gale Research Co.—*Encyclopedia of Associations, Encyclopedia of Information Systems & Services*. Boyd & Fraser—*Computer Fundamentals with Application Software*. InFiNet—*Autex Trading Information System, Munifacts, First Call, The Financial Software Series, InvesText, Mortgage-Backed Securities Information Services*.

Newspapers

American Banker, The Bond Buyer.

Other media operations

Callaghan & Co.—Mertens Law of Federal Income Taxation, Nichols Cyclopedia of Legal Forms, The Uniform Commercial Code Reporting Service, Lanes Goldstein Trial Technique, McQuillin Law of Municipal Corporations, Richard De Boo Publishers—Canada Tax Service, Ontario Corporation Manual, Canada Corporation Manual, Thomson & Thomson—Trademarkscan, Trademark Search Reports, Trademark Watching Services, Delmar Publishers—Technology in Your World, Technical Drawing and Design, Van Nostrand Reinhold: Dangerous Properties of Industrial Materials, Accounting Handbook for Non-Accountants, Encyclopedia of Chemistry, Wadsworth—Biology-The Unity and Diversity of Life, The Practice of Social Research.

Knight-Ridder Newspapers

RANK **9**

Miami

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,879.6	1,700.1	10.6
Total sales	1,910.7	1,729.6	10.5
Net income	140.0	132.7	5.5
Sales by media	**1986**	**1985**	**% chg**
Newspaper	1,688.1	1,554.7	8.6
Magazine	—	—	—
Broadcast	102.6	65.2	57.2
Cable	—	—	—
Other	88.9	80.1	11.0

Miami-based Knight-Ridder, Miami, is divesting its non-media and money-losing properties and seeking additional newspaper and tv properties. KR is dominated by five newspapers—*Miami Herald, Philadelphia Inquirer, Philadelphia News, San Jose Mercury News* and *Detroit Free Press*—which provided 55% of operating revenues in 1986. Twenty seven other dailies and six suburban papers contributed 33% of revenues.

Last year, KR made its first newspaper acquisition in six years, paying $311 million for six daily newspapers, two weeklies and two printing operations in South Carolina and Mississippi, owned by the Columbia, S.C.-based State-Record Co. K-R a year after acquiring the company sold three of the newly-acquired Mississippi papers—the *Daily Times-Leader* of West Point, *Daily News* in Starkville, and the weekly *Webster Progress-Times* in Eupora—to Morris Newspapers Corp. of Savannah, Ga.

KR, which generated 5% of its operating revenues from eight TV stations, purchased for $160 million three TV stations from Gannett in Oklahoma City, Tucson and Mobile, Ala. The broadcast buys influenced a 57% increase in broadcast revenues in 1986.

The remaining 7% of operating revenues came from a Northeast cable operation, a book division, business information services and other operations.

The heart of KR is still its newspaper operation. Ad linage for all papers in 1986 rose a slight 0.5%, though at least eight newspapers had linage declines. Ad revenues rose 9.2%, however, mainly resulting from a rebound in Philadelphia, which suffered a 46-day strike in 1985. Overall, KR circulation improved by 2.9% for morning papers, dropped 13% for evenings and gained a scant 0.1% on Sunday.

In April 1986, the *Detroit Free Press* accepted the title of the failing newspaper in a proposed JOA with its rival *Detroit News*, owned by Gannett. Under the Detroit JOA, as in most JOA agreements, business operations of the two papers would be combined, while editorial staffs would remain independent. The *Free Press* had lost $56.5 million from 1980-85, plus an additional $17 million in 1986. Its daily circulation during 1986 had been slightly less than the *News* but trailed by 85,000 on Sunday.

U.S. Justice Department hearings on the JOA begin Aug. 3. The Justice Department's antitrust division challenges the *Free Press* claims that it is a failing newspaper. The division has suggested the *Free Press* pursued market dominance over the *News* at the expense of profitability.

Converting from afternoon to morning publication in 1986 were the *Boca Raton News, State College* (Pa.), *Centre Daily Times* and the *Gary Post-Tribune*, and brings to eight the number of conversions in the past 10 years. A handful of KR afternoon dailies remain.

Late last year, P. Anthony Ridder, president of the KR newspaper division and son of former Knight-Ridder chairman, Bernard H. Ridder Jr., initiated staff cuts throughout the system, primarily through attrition and early retirement, to contain expenses.

Long KR's most profitable newspaper, the *Miami Herald*, suffered a year-to-year drop in ROP linage of 4.7%, a drop KR officials connect to Dade County's soft economy. Its share of KR operating revenue dropped from 16% in 1985 to 15% in 1986. According to the ABC FAS-FAX report monitoring average circulation for March 31, 1987, circulation at the daily *Herald* fell to 437,233, down 4.7% from the year earlier period, and dropped 2.3% to 546,980 for Sunday.

KR serves 184,000 cable tv subscribers in New Jersey and New York through its TKR Cable company, up 7.6% from 171,000 in 1985. The company is a joint venture with Tele-Communications. TKR purchased in April 1987 three additional cable systems representing 55,000 additional subscribers. The systems were in Ramapo, N.Y., and Warwick and Wildwood, N.J. KR treats cable returns on an equity basis, folding 50% of the joint-venture earnings into its income.

KR's Business Information Systems division generated 5% of revenues in 1986, mainly from its Commodity News Service. Another division publication is the five day a week *Journal of Commerce*, a New York-based trade and transportation newspaper. The company's HP Books, a how-to book publishing company, is being sold in July, 1987, to Price/Stern/Sloan Publishers in Los Angeles. Some early forays into mobile phones and videotext were disbanded in 1986.

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Corporate Personnel

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P. Anthony Ridder, president-newspaper div
Daniel E. Gold, president-ceo, K-R Broadcasting Co.

TKR Cable Co.
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P.O. Box 4247
Warren, N.J. 07060
(201) 356-1010

Corporate Personnel

Paul W. Freas, president

MEDIA PROPERTIES

Broadcasting

TV: WJRT-TV, Flint, Mich.; WKRN-TV, Nashville, Tenn.; WPRI-TV, Providence, R.I.; WTEN, Albany, N.Y.; WTKR-TV, Norfolk, Va; KOLD-TV, Tucson, Ariz.; KTVY, Oklahoma City; WALA-TV, Mobile, Ala.

Cable/video

SYSTEMS: TKR Cable Co. (jointly owned with Tele-Communications): NEW JERSEY: Aberdeen, Allentown, Barnegat Light, Beach Haven, Bernards, Bound Brook, Bridgewater, Dunellen, Edison, Elizabeth, Green Brook, Hamilton, Harvey Cedars, Highland Park, Keansburg, Key Port, Long Beach, Manville, Matawan, Metuchen, Middlesex, Milltown, New Brunswick, North Brunswick, Old Bridge, Piscataway, Raritan, Sayerville, Ship Bottom, Somerville, South Amboy, South Bound Brook, Surf City, Union Beach, Warren, Watchung. NEW YORK: Clarkstown, Grandview, Montvale, Nyack, Orangetown, Piermont, Ramapo, South Nyack, Spring Valley, Upper Nyack, Wesley Hills.

Newspapers

CALIFORNIA: *Long Beach Press Telegram, Pasadena Star-News, San Jose Mercury News-AM, San Jose Mercury News-PM*. COLORADO: *Boulder Daily Camera*. FLORIDA: *Boca Raton News, Bradenton Herald, Miami Herald, Tallahassee Democrat*. GEORGIA: *Columbus Enquirer, Columbus Ledger, Macon Telegraph and News, Milledgeville Union-Recorder*. INDIANA: *Fort Wayne News-Sentinel, Gary Post-Tribune*. KANSAS: *Wichita Eagle-Beacon*. KENTUCKY: *Lexington Herald-Leader*. MICHIGAN: *Detroit Free Press*. MINNESOTA: *Duluth News-Tribune & Herald, St. Paul Pioneer Press and Dispatch*. MISSISSIPPI: *Biloxi Sun Herald*. NEW YORK: *Journal of Commerce*. NORTH CAROLINA: *Charlotte Observer*. NORTH DAKOTA: *Grand Forks Herald*. OHIO: *Akron Beacon Journal*. PENNSYLVANIA: *Philadelphia Daily News, Philadelphia Inquirer, State College Centre Daily Times*. SOUTH CAROLINA: *Columbia Record, Columbia State, Myrtle Beach Sun News*. SOUTH DAKOTA: *Aberdeen News American*.

Newspapers (non-dailies)

CALIFORNIA: *Arcadia Tribune, Duarteun* (Duarte), *Monrovia News-Post, Temple City Times*. FLORIDA: *Florida Keys Keynoter*. SOUTH CAROLINA: *Newberry Observer*.

Other media operations

Commercial Terminals of Detroit, Knight-Ridder Newspaper Sales, KNT News Services, Observer Transportation Co., Portage Newspaper Supply Co., Roconex Corp., Seattle Times (49.5% ownership), Southeast Paper Mfg. Co. (33⅓% ownership), Twin Cities Newspaper Services, *Walla Walla Union-Bulletin* (49.5% ownership) HP Books (sale pending), Band & White, Knight-Ridder Graphics Network, State Printing Co.

OTHER OPERATIONS

American Quotation Systems, Commodity News Service, Commodity Perspective, Commodity Research Bureau, Knight-Ridder Financial News, Knight-Ridder Software, MoneyCenter, Tradecenter, Unicom News, PIERS (Port Import/Export Reporting Service), RATES (Rapid Access Tariff Expediting Service), Transax Data Corp.

Boss reaps bounty

Warner Communications' chairman-CEO Steven J. Ross is reaping the rewards of Warner's strong fiscal performance under his new 10-year contract that provides Mr. Ross a base salary of $800,000 a year, $400,000 a year in deferred compensation, a bonus of 1% of the company's net income each year and a long-term bonus in cash tied to Warner's stock and earnings. If the full-year's performance ends up reflecting first quarter 1987 results, Mr. Ross truly will be a rich man. In the first quarter 1987, Warner's net profit rose 115% to $66 million.

Kohlberg Kravis Roberts & Co.

RANK 22

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	664.9	769.0	(13.5)
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	248.2	278.0	(10.7)
Cable	416.7	491.0	(15.1)
Other	—	—	—

Kohlberg Kravis Roberts & Co., New York, is seeking to divest what is left of the media properties it obtained from Storer Communications and Wometco Cable in leveraged buyouts that totaled $3.2 billion.

Following the logical course of a leveraged buyout, KKR is selling off these assets to cover the cost of the buyout and make a profit. Since the acquisition of the two Miami-based companies—Storer in 1985 and Wometco in 1984—KKR has sold or is in the process of selling parts of these properties for more than $3 billion.

KKR currently is negotiating a media divestiture of 50% interest in six TV stations with Gillett Holdings, Nashville, Tenn., for $650 million. Gillett, which is becoming a major broadcasting concern itself, will have operating control over the stations and the right to buy KKR's remaining interest should KKR decide to sell. As part of the agreement, Gillette also will manage Storer Television Sales, a TV rep; Storer Programs, a TV programming unit; and a Washington news bureau. The agreement is expected to be finalized by July.

Included in the transaction is WAGA-TV, Atlanta; WJW-TV, Cleveland; WJBK-TV, Detroit; WITI-TV, Milwaukee; KCST-TV, San Diego; and WSBK-TV, Boston—the stations that were included in a deal with Lorimar Telepictures that fell through late last year when a final agreement could not be reached.

The only other Storer TV property is WTVG-TV in Toledo, which the company is expected to sell to Buddy Ray, president and general manager of Toledo Television and Terry Lee, chairman/president-ceo of SCI Holdings, for an estimated $65 million. SCI is the KKR-created parent company of Storer.

In a finalized sale, KKR unloaded the Wometco cable systems, which had estimated revenues of $120 million, to a joint venture headed by Robert M. Bass Group for $625 million. Included in the venture is Taft Broadcasting, in which Mr. Bass has a 24.9% interest, and members of Wometco Cable management.

Wometco Cable includes 41 systems serving 350,000 subscribers largely in the South.

KKR also sold for $270 million in cash the former Wometco station, WTVJ-TV in Miami, to General Electric, parent company of NBC. The station is a CBS affiliate and NBC is currently in an affiliation contract with WSVN-TV, Miami, that it is expected to break soon, leaving CBS without an affiliate in one of the industry's major markets.

WSVN-TV could drop in value $100 million or more if CBS does not link with it, because it would be forced to go independent, some analysts believe.

Two small Wometco tv stations, WWHT (now WHSE) in Newark, N.J., and WSNL (now WHSI) in Smithtown, N.Y., were sold to Silver King Broadcasting, a subsidiary of Home Shopping Network, in October for $25 million.

Storer Cable is KKR's largest media asset not yet being sold. The company did, however, divest all systems in Arizona, California, Minnesota, Oregon, and parts of New Jersey last year for a total of $329 million. Without these systems, Storer cable had 1.3 million subscribers and revenues of $416.7 million in 1986.

Besides this revenue, KKR's total includes returns from its seven Storer stations of $232 million, and $15 million from Wometco TV station WLOS, Asheville, N.C./Greenville-Spartanburg, S.C. which was sold to Anchor Media, St. Petersburg, Fla. on April 30, 1987, for $55 million.

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MEDIA PROPERTIES
Broadcasting
TV: WAGA-TV, Atlanta; WSBK-TV, Boston; WTVG-TV, Toledo, Ohio; WJBK-TV, Detroit; WJW-TV, Cleveland; WITI-TV, Milwaukee; KCST-TV, San Diego.
Cable/video
Storer Cable Communications: ALABAMA: Baldwin County, Bay Minette, Brundidge, Chilton County, Clanton, Daphne, Elba, Elmore, Fairhope, Florala, Geneva, Hartford, Lockhart, Montgomery, Oak Grove, Prattville, Samson, Slocomb, Sylacauga, Troy. ARKANSAS: Bryant, Cammack Village, Jacksonville, Little Rock, North Little Rock, Pulaski County, Sherwood. CONNECTICUT: Chester, Clinton, Deep River, Durham, Essex, Groton, Haddam, Hamden, Killingworth, Ledyard, New Haven, North Stonington, Old Saybrook, Stonington, U.S. Naval Facility-Groton, Voluntown, West Haven, West Brook. DELAWARE: Blades, Camden, Cheswold, Clayton, Delmar, Dover, Dover Air Force Base, Georgetown, unincorporated Kent & Sussex Counties, Laurel, Lewes, Milford, Rehoboth Beach, Smyrna, Seaford, Wyoming. FLORIDA: Altamonte Springs, Arcadia, Avon Park, Bartow, Blountstown, Biscayne Park, Bristol, unincorporated Broward County, Charlotte County, Chattahoochee, Chipley, Dade County, DeFuniak Springs, DeSoto County, El Portal, Fort Meade, Frostproof, Graceville, unincorporated Hardee County, Highlands County, Hillcrest Heights, Hollywood (85% interest), Lake Mary, Lake Placid, Lake Wales, Lee County, Longboat Key, Maanatee County, metropolitan Dade County, Miami Shores, Miramar, North Miami, North Miami Beach, North Port, Pembroke Park, Pembroke Pines, unincorporated Polk County, Port Charlotte, Punta Gorda, Sarasota, Sarasota County, Sebring, Seminole County, Seminole Tribe of Florida, Venice, Wauchula. GEORGIA: Adel, Albany, Americus, Ashburn, Bainbridge, Berrien County, Camilla, Colquitt, Cook County, Cordele, Dawson, Donalsonville, Ellaville, Lee County, Leesburg, Miegs, Moultrie, Nashville, Omega, Pelham, Poulan, Sparks, Sumter County, Sycamore, Sylvester, Tift County, Tifton, Vienna. KENTUCKY: Anchorage, Audubon Park, Bancroft, Barbourmeade, Beechwood Village, Bellemeade, Bellewood, Blue Ridge Manor, Boone County, Bowling Green, Briarwood, Broadfields, Broeck Point, Brownsboro Farm, Brownsboro Village, Campbell County, Cambridge, Cherrywood Village, Covington, Creekside, Crossgate, Devondale, Douglass Hills, Druid Hills, Fairmeade, Fincastle, Forest Hills, Glenview Hills, Glenview Manor, Goose Creek, Graymore, Green Springs, Hickory Hill, Hills and Dales, Hollow Creek, Hollyvilla, Hurstbourne Acres, Indian Hills, Jefferson County, Jeffersontown, Keeneland, Kenton County, Kingsley, Langdon Place, Lincolnshire, Louisville, Lyndon, Lynnview, Manor Creek, Maryhill Estates, Meadowbrook Farm, Meadow Vale, Meadowview Estates, Middletown, Minor Lane Heights, Mockingbird Valley, Moorland, Newport, Norbourne Estates, Northfield, Norwood, Oakland, Old Brownsboro Place, Parkway Village, Pewee Valley, Plantation, Plum Springs, Plymouth Village, Prospect, Richlawn, River Bluff, Riverwood, Robinswood, Rolling Hills, Rolling Fields, St. Matthews, St. Regis Park, Seneca Gardens, Shivley, Smiths Grove, Springlee, South Park View, Strathmoor Manor, Strathmoor Village, Sycamore, Ten Broeck, Thornhill, Warren County, Watterson Park, Wellington, West Point, Westwood, Whipps Millgate, Wildwood, Winding Falls, Windy Hills, Woodburn, Woodland Hills, Woodland Park, Worthington Hills. MARYLAND: Delmar, Fruitland, Hebron, Howard County, Pocomoke City, Princess Anne, Salisbury, Show Hill. NEW JERSEY: Allenhurst, Atlantic Highlands, Bay Head, Belvidere, Beverly, Bordentown, Brick Township, Cinnaminson, Delanco, East Brunswick, Burlington, Califon, Clayton, Cranbury, Deal, Delran, Deptford, East Greenwich, East Windsor, Eatontown, Edgewater Park, Fair Haven, Franklin, Freehold, U.S. Government-Fort Monmouth, Glassboro, Glen Gardner, Greenwich, Hackettstown, Hampton, Hazlet, Helmetta, High Bridge, Highlands, Highstown, Holmdel, Independence, Jamesburg, Lebanon, Liberty, Little Silver, Loch Arbor, Long Branch, Mansfield, Mantura, Mantoloking, Middletown, Monmouth Beach, Monroe, Mt. Olive, National Park, North Plainfield, Oceanport, Oxford, Palmyra, Paulsboro, Plainfield, Plainsboro, Pt. Murray, Pt. Pleasant, Pt. Pleasant Beach, Red Bank, Riverside, Riverton, Roosevelt, Rumson, Sea Bright, Shrewsbury, Spotswood, South Brunswick, South Plainfield, Tinton Falls, Washington (Morris & Warren County), Wenonah, West Deptford, West Long Branch, Westhampton, Westville, White, Willingboro, Woodbury, Woodbury Heights. PENNSYLVANIA: New Hope. SOUTH CAROLINA: Beaufort, Berkley County, Charleston, Charleston Air Force Base, Colleton County, Goose Creek, Hanahan, Isle of Palms, Mt. Pleasant, North Charleston, Sullivan's Island, Summerville, Walterboro, U.S. Marine Corps Air Station-Laurel Bay, U.S. Naval Station-Hunley Park, unincorporated Charleston County. TEXAS: Addison, Alvin, Bayou Vista, Bedford, Brookside Village, Carrollton, Cedar Hill, Clear Lake Shore, Cockrell Hill, Colleyville, DeSoto, Dickinson, El Lago, Euless, Friendswood, Garland, Glenn Heights, Grand Praire, Hebron, Hillcrest Village, Hitchcock, Hutchins, Kemah, LaMarque, Lancaster, League City, Magnolia, Nassau Bay, North East Houston, Oak Ridge, Pearland, Red Oak, Rowlett, Santa Fe, Seabrook, South East Houston, Sunnyvale, Taylor Lake Village, Texas City, Tomball, Webster. VIRGINIA: Chesterfield.
Other media operations
Golden West Subscription of Dallas; Golden West Productions; Golden West Videotape and Golden West Television Distribution.

Landmark Communications

RANK 47

Norfolk, Va.

($ in millions)

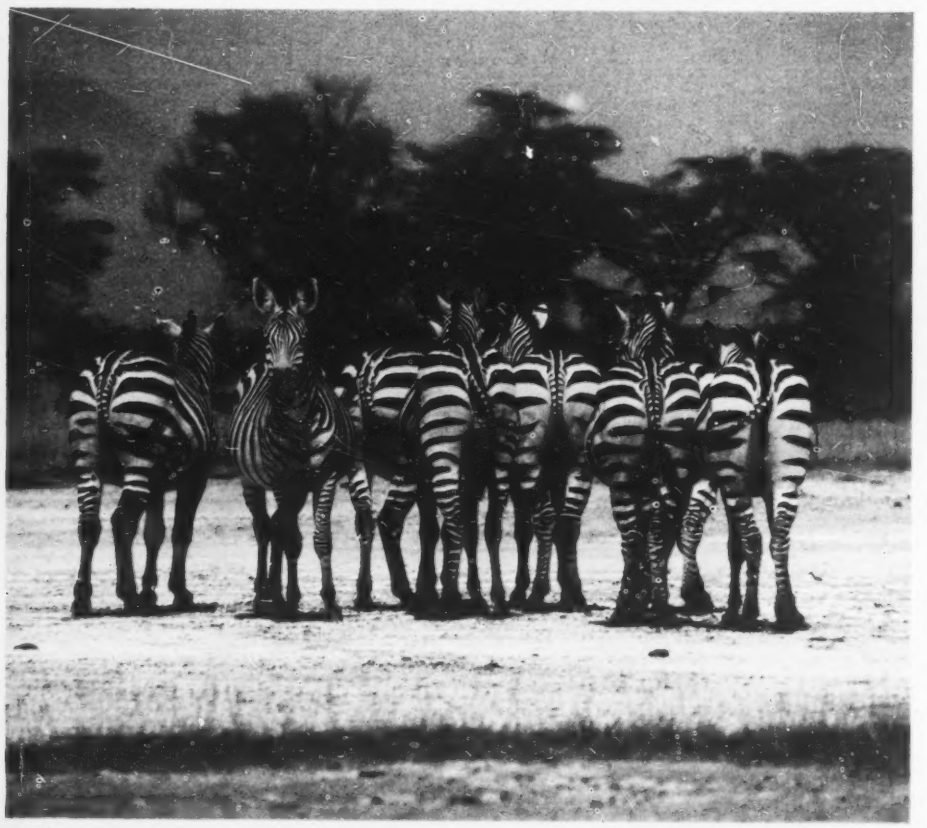
Corp. returns	1986	1985	% chg
Media sales	290.0	251.0	15.5
Total sales	293.0	262.0	11.8
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	244.0	217.0	12.4
Magazine	—	—	—
Broadcast	32.0	28.0	14.3
Cable	14.0	6.0	133.3
Other	—	—	—

Steady growth in each of Landmark Communications media divisions led to a 12% increase in revenues over 1985. Leading the growth surge was the Weather Channel based in Atlanta.

While Landmark's efforts at acquiring an additional major metropolitan TV station were thwarted, the Norfolk, Va.-based company expanded its community newspaper operation and also formed a new division—Classified Advertising Publications.

The 24-hour Weather Channel now reaches 27 million households, compared with 20 million at the end of 1985. Cable systems under contract

BIG GAME HUNTERS



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Call Bob Nelson, Sales Manager
Chicago Lithographing Company
560 S. Vermont, Palatine, IL 60067 (312) 359-3733

rose to about 2,750 from 1,962 in 1985. During the year, subscriber fees were increased, generating an estimated $13 million in 1986. Ad revenues also continued to rise, says TWC Chairman John Wynn, noting that year-to-date 1987 revenues were up 30%. The company predicts subscriptions will grow 50% in 1987.

Landmark is primarily a publications company, with print operations providing 84% of total revenues. Newspaper revenues grew 12% for the year. The backbone of the company's newspaper operations are three dailies, each operated a separate division: the *Greensboro* (N.C.) *News & Record*, *Norfolk Virginian-Pilot* and *Ledger Star* and Roanoke (Va.) *Times & World News*.

The three papers had combined daily circulation in 1986 of 258,477, Saturday circulation of 355,710, and Sunday, 483,486. Circulation was up only slightly at the papers in 1986, and although revenue increases were steady, they failed to meet budget expectations, says Landmark VP E.C. Oldfield.

In February 1986 the *Greensboro News & Record* discontinued its afternoon edition, combining elements of both editions into the morning paper. The morning and evening *Roanoke Times & World News* completed its conversion to offset presses and its move into a new distribution center. The division's largest newspaper, *Richmond* (Va.) *Times-Dispatch*, had March 31, 1987, circulation of 141,544, up 1.2%. Sunday circulation was 245,741, up 2.3%.

Landmark Community Newspapers added seven papers to its non-daily portfolio. The division includes 34 newspapers with combined circulation of 210,286. Five of the papers are dailies, the latest conversion being the *Citrus County Chronicle*, Inverness, Fla., which in September went from a tri-weekly to a Sunday-through-Friday publishing schedule with circulation of 14,090.

In November, Landmark purchased the *Roane County News*, a 7,000 circulation tri-weekly in Kingston, Tenn. The purchase included three weeklies: *Rockwood Times*, *Harriman Record* and *Morgan County News* in Wartburg.

In March 1987, three additional non-dailies in Kentucky were bought from Scripps Howard: *Kentucky Standard*, Bardstown, *Pioneer News*, Shepherdsville, and *Grant County News*, New Castle.

Early in 1986, Landmark formed its new Classified Advertising Publications division, with the purchase of seven *Tradin' Times* classified publications in Illinois, Michigan, Minnesota, Missouri, Ohio and Pennsylvania.

LANDMARK COMMUNICATIONS
150 W. Brambleton
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Corporate Personnel
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Weather Channel
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Atlanta, Ga. 30339
(404) 434-6800
Corporate Personnel
John Wynn, chmn
MEDIA PROPERTIES
Broadcasting
TV: KLAS-TV, Las Vegas, Nev.; KNTV, San Jose, Calif.
RADIO: WTAR, WLTY-FM, Norfolk, Va.
Cable/video
CHANNELS: Weather Channel.
Magazines
Antiques & Collectibles (El Cajon, Calif.); *Apartments of Greater Baltimore*, *Florida Nursing News*, *Folio Weekly* (Jacksonville, Fla.); *Gambit* (New Orleans); *Homes of York-Adams County* (Westminster, Md.); *Port Folio* (Virginia Beach, Va.); *Senior World of South Florida*, *Senior World* (San Diego, Orange County, Central Coast, Los Angeles); *Spectator Magazine of the Triad* (Greensboro, N.C.); *Style Weekly* (Richmond, Va).
Newspapers
CALIFORNIA: *El Cajon Daily Californian*. FLORIDA: *Inverness Citrus County Chronicle*. KENTUCKY: *Elizabeth News Enterprise*. MARYLAND: *Westminster Carroll County Times*. NEW MEXICO: *Los Alamos Monitor*. NORTH CAROLINA: *Greensboro News & Record*. VIRGINIA: *Norfolk Virginian Pilot*, *Ledger-Star Roanoke Times & World News* (Norfolk), *Times-Dispatch* (Richmond).
Newspapers (non-dailies)
FLORIDA: *Sumter County Times* (Bushnell). ILLINOIS: *Vandalia Leader Union*. INDIANA: *Journal-Democrat* (Rockport), *Mount Vernon Democrat*, *News* (Tell City). IOWA: *Opinion Tribune*, *Red Oak Express* (Glenwood). KENTUCKY: *Anderson News* (Lawrenceburg), *Henry County Local* (New Castle), *News Democrat*, *Lebanon Enterprise* (Carrollton), *Casey County News* (Liberty), *Central Kentucky News-Journal* (Campbellsville), *Cynthia Democrat*, *Grant County News* (Williamstown), *Oldham Era* (La Grange), *Sentinel News* (Shelbyville), *Springfield Sun*, *Trimble Banner Democrat* (Bedford), *Kentucky Standard* (Bardstown), *Pioneer News* (Shepherdsville). MARYLAND: *Reisterstown Community Times*, *Randallstown News*. MISSISSIPPI: *New Albany Gazette*. TENNESSEE: *Harriman Record*, *Morgan County News*, *Rockwood Times* (Wartburg), *Roane County News* (Kingston). VIRGINIA: *Gazette* (Galax). Also, 11 classified advertising publications, 24 shoppers, and holds 49.9% of Capital-Gazette Communications, Annapolis, Md.

RANK **46**

McClatchy Newspapers

Sacramento, Calif.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	310.0	275.0	12.7
Total sales	310.0	275.0	12.7
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	283.0	248.0	14.1
Magazine	—	—	—
Broadcast	10.0	14.0	(28.6)
Cable	17.0	13.0	30.8
Other	—	—	—

McClatchy Newspapers expects to be nearly 100% print-oriented by the end of this year when it sells off its four remaining broadcast properties. The Sacramento, Calif.-based company, which had an estimated 12.7% increase in media revenues in 1986, will divest four profitable cable systems and a perennially losing videotex operation during the year as a prelude to the broadcast selloff.

McClatchy is intensifying its concentration on newspapers (seven dailies and three weeklies). It purchased the daily *Tacoma* (Wash.) *News Tribune* and the weekly *Pierce County* (Wash.) *Herald* from Tribune Co. in 1986 for an estimated $112 million. The papers were part of a $205 million sale that included Tribune's cable and tv properties, which went to Viacom.

The *News Tribune* joined the McClatchy newspaper fold on Aug. 1, 1986 and shifted this April to a morning publication. The *News Tribune*, the lone Tacoma daily, has a circulation of 110,184 daily, up 2.3%, and 122,948 Sunday, up 3.2%, according to ABC FAS-FAX figures comparing March 31, 1987 with the same period in 1986.

To finance the Tacoma purchase, McClatchy sold for an estimated $127 million four cable systems with 86,000 subscribers to Continental Cablevision, Boston. The systems encompassed Reno, Nev., and in California, Fresno, Marysville/Yuba City and Visalia.

McClatchy's lead properties are its *Bee* papers, the *Sacramento Bee*, *Fresno Bee* and *Modesto Bee*, all morning dailies. ABC FAS-FAX reports comparing the March 31, 1987 period with the same period in 1986, show Sacramento circulation of 245,377 daily, up 4%, and 289,083 Sunday, up 5.5%; Fresno circulation of 139,888 daily, up 0.5%, and 166,899 Sunday, down 0.06%, and Modesto circulation of 75,675 daily, up 1.9% and 81,592 Sunday, up 0.7%. While the Fresno and Modesto papers have no head-on competition, the Sacramento paper competes with the much smaller *Sacramento Union*, also a morning paper, which had daily circulation of 90,888, down 3.4%, and 89,561 Sunday, down 3.6%.

Currently on the media selling block are McClatchy's four California radio properties, which the company hopes to sell as a package before the end of the year. Asking price was not disclosed. Also, it is selling its commercial printing operation in Clovis, Calif., a Fresno suburb. The plant accounts for $5 million in revenues annually.

The company's electronic communications division has continued to shrink with the closure of the El Dorado Teleguide, a public-access videotex information service begun in 1984.

MCCLATCHY NEWSPAPERS
2100 Q Street
Sacramento, Calif. 95813
(916) 321-1000
Corporate Personnel
C.K. McClatchy, president
MEDIA PROPERTIES
Broadcasting
RADIO: KMJ, KNAX (FM), Fresno, Calif.; KFBK, KAER (FM), Sacramento, Calif.
Newspapers
ALASKA: *Anchorage Daily News*. CALIFORNIA: *Fresno Bee*, *Gilroy Dispatch*, *Hollister Free Lance*, *Modesto Bee*, *Sacramento Bee*. WASHINGTON: *Tri-City Herald* (Richland); *Tacoma News-Tribune*.
Newspapers (nondailies)
CALIFORNIA: *Clovis Independent*, *Lincoln News Messenger*, *Morgan Hill Times*. WASHINGTON: *Pierce County Herald*.
Other media operations
LegiTech (90% owned), Sacramento, Calif., Albany, N.Y., Washington.

RANK **15**

McGraw-Hill

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,089.1	1,030.7	5.7
Total sales	1,576.8	1,491.2	5.7
Net income	154.0	147.4	4.5
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	318.2	313.0	1.7
Broadcast	92.9	83.0	11.9
Cable	—	—	—
Other	678.0	634.7	6.8

McGraw-Hill recorded operating profit increases for all segments in 1986 except its Publications Co., the divisional home of MH's lead publication, *Business Week*.

The group—one of four segments contributing to media revenues as defined in this issue—returned operating income of $42.2 million, down 11.9%, on revenues of $318.2 million, up 1.7%.

Returns by *Business Week*, one of some 60 magazines in the publications group, which also oversees newsletters and newswires, were symptomatic of the problems besetting the magazine field in general. The publication sold 3,893 pages in 1986, 7.6% fewer than in 1985, representing $166.6 million in gross ad revenues, up 1.5%, according to Publishers Information Bureau.

Despite a difficult advertising market for much of the year, *Business Week* increased its market share and carried more ad pages than any other magazine measured by PIB, and ranked No. 1 in ad revenues among business magazines. However, *Business Week* profits declined because of on-going enhancements to the editorial quality and design and investments to strengthen the subscriber base.

A turnaround at the publication has begun in 1987. In the first quarter 1987, gross ad revenues have grown 10.4% to $38.8 million on a 3.8% growth in ad pages to 847, reports PIB. Circulation also has jumped from 860,000 in January 1987 to 902,000 in May, according to Standard Rate & Data Service.

Within the publications segment, McGraw-Hill acquired *Industrial Chemical News*. In 1987 the magazine was redesigned and renamed *Industrial Chemist*.

New York-based McGraw-Hill in 1986 had overall growth in net income of 4.8%, and a 5.7% increase in operating revenue from 1985. Net income growth, while modest, still outpaced the year-to-year growth from 1984 to 1985 of 2.2%.

McGraw-Hill Information Systems Co., which consists of two market-focus groups aimed at the construction and computer markets, had revenues of $366.1 million, up 3.8%, and $94.2 million in operating profit, up 5.4% in 1986 over 1985. Within this group the corporation acquired Construction Information Systems and LSI Systems, both building-products databases.

Standard & Poor's Corp. (formerly McGraw-Hill Financial & Business Information group) was restructured in 1986 to create two operating companies: Standard & Poor's Corporate Information Co. and the Financial & Economic Information Co. Together, they had revenues of $311.9 million, up 10.6%, and operating profit of $74.7 million, up 17.2%.

Broadcasting Co., comprising four TV stations in regional markets, had revenues of $92.9 million for the year, up 11.5%, and operating profit of $32 million, up 16.3%.

McGraw-Hill made several acquisitions and expansions in the magazine field, but most took place abroad, notably in China. In May 1986, McGraw-Hill acquired the telecommunications tariff information services and related assets of Telcom MIS, used by telecommunications managers and vendors for network planning and competitive analysis.

McGraw-Hill Book Co. is the only non-media contributor at the company. Its revenues of $487.7 million in 1986 were up 6%, and operating profits of $71.8 million, up 6.4%.

MCGRAW-HILL
1221 Avenue of the Americas
New York, N.Y. 10020
(212) 512-2000
Corporate Personnel
Harold W. McGraw Jr., chmn
Edward T. Reilly, president-broadcasting
John G. Wrede, president-McGraw-Hill Publications
MEDIA PROPERTIES
Broadcasting
TV: KERO-TV, Bakersfield, Calif.; KGTV, San Diego, Calif.; KMGH-TV, Denver; WRTV, Indianapolis.
Magazines
American Machinist & Automated Manufacturing, *Architectural Record*, *Aviation Week & Space Technology*, *Business Week*, *Business Week International*, *Business Week's Careers*, *BYTE*, *Chemical Engineering*, *Chemical Week*, *Coal Age*, *Data Communications*, *Electrical Construction & Maintenance*, *Electrical Wholesaling*, *Electrical World*, *Electronics*, *Engineering & Mining Journal*, *Engineering News-Record*, *Fleet Owner*, *Graduating Engineer*, *Industrial Chemist*, *International Management*, *Modern Plastics*, *Modern Plastics International*, *The Physician & SportsMedicine*, *Postgraduate Medicine*, *Power*, *Textile World*, *33 Metal Producing*.
Newsletters
Avoided Cost Quarterly, Clean-Coal/Synfuels Letter, Coal Statistics International, Coal Week-Coal Week International Combination, Cogeneration Report, Electric Utility Week, Electrical Marketing, Electronic Chemicals News, From DRI Health Care Costs, Green Markets, Health Business, Health Legislation & Regulation, ICW Africa Construction Business Report, ICW Asia Construction Business Report, ICW Latin America Construction Report, ICW Mideast Construction Report, Inside Energy/ With Federal Lands, Inside F.E.R.C., Inside F.E.R.C.'s Gas Market Report, Inside N.R.C., International Construction Week, International Petrochemical Report, Legal Briefs for the Construction Industry, Long Term Care Management, McGraw-Hill's Biotechnology Newswatch, McGraw-Hill's Biotechnology Patentwatch, Medicine and Health-Washington Health Record Combination, Metals Week, NuclearFuel, Nucleonics Week, Nuclear Index Platt's Export/Import Report, Platt's Oilgram News, Platt's Oil Price Handbook, Platt's Oilgram Price Report, Report on Proformance Materials, Securities Week, Techpak, Utility Cost Forecaster, Waste-To-Energy Report, World Nuclear Performance.
Other media operations
Newswires and services, American Industrial Report Ltd., COADE (microcomputer software), Electronic Markets & Information Systems, GEMCO (global electronic trading company), McGraw-Hill Video Productions, Nikkei McGraw-Hill (publishing), Money Market Directories, Numerax.
OTHER OPERATIONS
McGraw-Hill Book Co.

RKO turns shark repellent

Gencorp is selling its RKO General and corporate namesake, General Tire, to reduce debt taken on when it bought off shareholders with cash in a hostile takeover bid.

RANK **35**

Media General

Richmond, Va.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	381.0	346.0	10.1
Total sales	635.0	579.0	9.7
Net income	17.0	33.0	(48.5)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	266.0	253.0	5.1
Magazine	16.0	17.0	(5.9)
Broadcast	60.0	51.0	17.6
Cable	39.0	25.0	56.0
Other	—	—	—

Media General, which is upgrading its media hardware—$45 million in presses at the *Tampa Tribune*, ongoing $200 million cable system construction in northern Virginia, and new TV towers in Tampa, Fla., and Charleston, S.C.—wrote off much of the equipment made obsolete by these improvements in 1986, along with some TV syndication rights, in posting a $16.8 million after-tax charge that reduced earnings 48.4% to $17 million on sales of $635 million, up 10%.

For the first quarter 1987, revenues were up 10% over 1986 to $167 million, and net income was up 16% to $8 million.

During the year, the Richmond, Va.-based company's three large morning dailies showed daily circulation increases with only the afternoon daily, the *Richmond* (Va.) *News-Leader* showing a decline.

The ABC FAS-FAX figures for March 31, 1987 compared to prior year averages show the morning *Richmond* (Va.) *Times-Dispatch*, up 1.1% to 141,544; the morning *Winston-Salem* (N.C.) *Journal*, virtually even at 91,571; *Tampa* (Fla). *Tribune*, up 8.6% to 248,415, and the evening *Richmond* (Va.) *News-Leader*, down 1.9% to 109,103.

VP David L. Jordan says Media General, which folded a circulation-losing afternoon paper in Winston-Salem in 1985, had no plans to drop the *News-Leader*, which he termed "a pretty viable newspaper." In the Richmond area, he says, its circulation is larger than that of the *Times-Dispatch*, which depends on statewide readership. "But being an evening newspaper, you can't get it to northern Virginia."

Newspaper revenues were up in all three cities. Garden State Newspapers, in which Media General has a 40% interest, added 13 dailies and several weeklies in 1986, to bring its total to 18 small-to-medium-size dailies and eight weeklies. Media General also owns a string of weeklies in southern California, some of which struggle against fierce competition. Seven of them were folded or converted to shoppers in 1986.

The company also provides electronic database services and several small special-interest magazines. Sales for this division were down, but initial response to a new glossy, free-distribution monthly, *Virginia Business*, has the company considering moving it to a paid basis.

Subscribers to the new Fairfax cable system along Virginia's northern border number 140,000. They pay an average $32 for services, a rate far above the norm. Subscriptions did not drop in the high-income bedroom community near Washington after a 22% rate increase went into effect the beginning of the year. Media General expects the system to show a positive cash flow this year for the first time.

MEDIA GENERAL
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Corporate Personnel
D. Tennant Bryan, chmn
J. Stewart Bryan III, exec VP
James A. Linen IV, exec VP
MEDIA PROPERTIES
Broadcasting
TV: WCBD-TV, Charleston, S.C.; WJKS-TV, Jacksonville, Fla.; WXFL, Tampa, Fla.
Cable/video
SYSTEMS: VIRGINIA: Cablevision of Fredericksburg-Fredericksburg, Spotsylvania

County, Stafford County; Media General Cable of Fairfax-Fairfax County.

Magazines

Consultant, Journal of Respiratory Diseases, Journal of Musculoskeletal Medicine, Journal of Critical Illness, Virginia Business.

Newspapers

FLORIDA: *Tampa Tribune*. NORTH CAROLINA: *Winston-Salem Journal*. VIRGINIA: *News-Leader* (Richmond), *Times-Dispatch* (Richmond).

Newspapers (non-dailies)

CALIFORNIA: Highlander Publications, publishing 20 weeklies in the Orange County-Los Angeles area. Golden West Publishing, Mission Viejo, publishing 13 papers in the area between Los Angeles and San Diego.

Other media operations

Garden State Newspapers (40% interest), publishing 18 medium to small-sized dailies and eight non-dailies; Media General Financial Services, Technical Information Distribution Service.

OTHER OPERATIONS

Beacon Press (commercial printing), Garden State Paper Co. (newsprint manufacturer), Media General Broadcast Services (TV-radio services offering media buying services, broadcast musical productions, travel trade services, and barter services for advertisers).

Media News Group

RANK **37**

Woodbury, N.J.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	375.0	150.0	150.0
Total sales	375.0	150.0	150.0
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	375.0	150.0	150.0
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	—	—
Other	—	—	—

Media News Group, Woodbury, N.J., made the biggest acquisition in its four-year history when it purchased the *Dallas Times Herald* on Sept. 1, 1986, for $110 million in cash and notes.

The purchase of three other smaller newspapers in 1986 brought the total owned by the newspaper chain to 24. Acquisitions, particularly that of the *Times Herald*, lifted companywide revenues to $375 million in 1986, almost 2½ times what it was the previous year.

Media News is composed entirely of newspapers, most in the 10,000-circulation range. The policy of President William Dean Singleton, until now, has been to buy foundering small- or medium-circulation dailies and return them to profitability via automation and aggressive cost-cutting.

His reputation clearly had some employees nervous, especially after more than 100 *Times Herald* employees were laid off or given early retirement less than a week after the newspaper was sold.

However, Tony Tierno, a financial officer in the Woodbury, N.J., home office, says, "The Dallas economy is that way right now. Other Dallas papers have had staff trims too." The competing *Dallas Morning News* in the early months of 1987 has eliminated 120 positions.

In September 1986 Media News purchased the *Alameda* (Calif.) *Times-Star* for an undisclosed sum. The circulation has been boosted from 8,200 to 9,000 since the takeover, according to ABC. On December 29, 1986, MNG purchased the *Bristol* (Conn.) *Press*, a daily with circulation of 19,826 on March 31, 1987, down 1.3% from the prior year, according to ABC FAX-FAX reports.

In February, 1986, MNG bought the *Elizabeth* (N.J.) *Daily Journal* with a circulation of 31,000. Circulation has risen since the purchase to 32,000.

Gloucester Suburban Newspapers, part of the New Jersey-based Media News Group, in July 1986 purchased the *Blackfoot Morning News*, a daily in southeastern Idaho. Terms of the Idaho sale were not disclosed. Gloucester is owned by Peter Bernhard of Salt Lake City and Mr. Singleton. Mr. Bernhard is president of Green Sheet Newspapers, a group of seven weeklies published in the region of Salt Lake City.

Media News Group is 40% owned by Media General of Richmond, Va. Media General also owns Garden State Newsprint, which sells recycled newsprint to publications, including those owned by Media News Group.

MEDIA NEWS GROUP
309 S. Broad St.
Woodbury, N.J. 08096
(609) 845-7484
Corporate Personnel

William Dean Singleton, president

MEDIA PROPERTIES

Newspapers

CALIFORNIA: *Argus* (Fremont), *Daily Review* (Hayward), *San Ramon Valley Herald* (Danville), *Tri-Valley Herald* (Dublin), *Alameda Times-Star*. CONNECTICUT: *Bristol Press*. IDAHO: *Blackfoot Morning News*.MASSACHUSETTS: *Daily Transcript* (Dedham), *News-Tribune* (Waltham). MICHIGAN: *Ypsilanti Press*. NEW JERSEY: *Advance* (Dover), *Dispatch, Elizabeth Daily Journal, Gloucester County Times* (Woodbury), *North Jersey Herald-News* (Passaic), *Paterson News* (Union City). OHIO: *Ashtabula Star-Beacon, Conneaut News Herald, Geuga Times Leader* (Chardon), *Hamilton Journal-News, Lake County Telegraph* (Painesville), *Today's Sunbeam* (Salem). TEXAS: *Big Spring Herald, Dallas Times Herald, Del Rio News Herald, Huntsville Item, Marshall News Messenger*. WASHINGTON: *Yakima Herald Republic*.

Meredith Corp.

RANK **34**

Des Moines, Iowa

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	390.7	356.2	9.7
Total sales	533.4	474.9	12.3
Net income	47.2	42.7	10.5
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	9.0	—
Magazine	267.6	227.5	17.6
Broadcast	123.0	114.7	7.3
Cable	—	5.0	—
Other	—	—	—

Meredith Corp. continues to refocus on its primary businesses—national advertiser-supported magazine publishing and broadcasting—primarily through divestiture.

In 1986, the Des Moines, Iowa-based company sold its Los Angeles and San Jose, Calif., weekly newspapers and all but one of its nine Texas, Louisiana and Arkansas-based Star cable TV systems. It also divested its percentage ownership in *Dallas-Fort Worth Home & Garden* and *Houston Home & Garden*. Meredith is selling its remaining Texas system, and its 82% share of Planned Cable Systems Corp.

Meredith Corp. had media revenues of $390.7 million for the fiscal year ended June 30, 1986, a 9.7% increase from fiscal 1985. Media revenues account for 73% of total company revenues of $533.4 million in 1986, up 12.3%. Companywide earnings were $42.7 million, up 10.5%. The remainder of Meredith's operations are commercial printing and real estate-related activities.

While many magazine publishers are continuing to experience softness in the market—and Meredith is no exception—advertising revenues, accounting for 28% of total net revenues, rose 17% to $151 million in 1986. Subscription and newsstand revenues increased 19%. They represent 22% of total revenues.

Part of Meredith's strategy is to continue to launch new magazines. *Midwest Living*, started from scratch, debuted in February 1987. After three issues, the new every-other-month magazine has met or exceeded projections, including achieving a 400,000 rate base and 142 ad pages for the first three issues.

Ladies' Home Journal, purchased last year from Family Media, has become a fully integrated Meredith product, no longer a wholly owned subsidiary. *LHJ* and lead magazine *Better Homes & Gardens* are now being sold in a combination discount rate card, which gives a 20% discount on open rates to dual advertisers. Publishers Information Bureau shows that *LHJ* had gross ad revenue of $77.1 million, up 0.1%, on 1,337 ad pages, down 1.8% from 1985. *BH & G* sold 1,347 pages, down 1.2%, as gross ad revenue advanced 5.3% to $129.8 million.

Metropolitan Home underwent a facelift (larger format, heavier stock) with the September 1986 issue. Ad rates, newsstand and subscription prices rose accordingly. *MH* sold 683 ad pages, down 11.7%, but higher rates brought gross ad revenues to $14.7 million, up 5.7%.

Farm Computer News, which received good subscriber response, was unable to outlast the agricultural depression and was discontinued.

Meredith continues to realize healthy revenues from its 19 special interest publications.

WPGH-TV, Pittsburgh, was sold to Lorimar-Telepictures, although Meredith plans to add broadcast properties in Sunbelt areas up to FCC limits.

The company had a 13% growth in revenues to $442.3 million for the three quarters of fiscal 1987, which ends June 30, although net earnings dropped 31.7% to $25.6 million during the period—the latter a factor of lower year-to-date profits from printing, book and broadcasting operations and special items charged against earnings.

MEREDITH CORPORATION
Locust at 17th
Des Moines, Iowa 50336
(515) 284-3000
Corporate Personnel

E.T. Meredith III, chmn
William C. McReynolds, president-broadcasting group
James Autry, president-magazine group

MEDIA PROPERTIES

Broadcasting

TV: KPHO-TV, Phoenix, Ariz.; KSEF-TV, Fresno, Calif.; WOFL-TV, Orlando; WNEM-TV, Saginaw/Bay City/Flint, Mich.; KCTV, Kansas City, Mo.; WTVH, Syracuse, N.Y.; KVVU-TV, Henderson/Las Vegas.

Cable/video

SYSTEMS: TEXAS: Star CATV Investment Corp. FLORIDA: Planned Cable Systems Corp. (82% owned by Meredith), cable services in planned unit developments.

Magazines

Better Homes & Gardens (including 18 special interest publications), *Country Home, Metropolitan Home, Midwest Living, Ladies' Home Journal, SAIL, Successful Farming, WOOD*.

OTHER OPERATIONS

Wholly owned subsidiaries—Better Homes & Gardens Real Estate Service; Better Homes & Gardens Insurance Agency; Better Homes & Gardens Securities; Meredith International; Meredith Relocation Corp.; Meredith Mortgage Corp. (subsidiary of Meredith Relocation Corp.); Meredith Video Publishing Corp.; MerPrint Co.; Sail Publications.

Morris Communications

RANK **42**

Augusta, Ga.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	349.0	284.0	22.9
Total sales	349.0	284.0	22.9
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	238.0	231.0	3.0
Magazine	1.0	1.0	0.0
Broadcast	—	—	—
Cable	—	—	—
Other	110.0	52.0	111.5

Privately held Morris Communications Corp., experienced an estimated 3% real growth in media print revenues in 1986, although total media sales grew substantially because of a full-year inclusion of Naegele Outdoor Cos., acquired in July 1985.

While nothing in the last 12 months compares with the boost to sales given by Naegele, Morris has moved to solidify its already substantial position in its several markets.

Morris, which publishes the South's oldest newspaper, the *Augusta* (Ga.) *Chronicle*, established in 1785, experienced flat to slight declines in circulation not only for the *Chronicle* but for the other morning, evening and weekend Morris dailies in Jacksonville, Athens, Augusta, and Savannah, Ga., and Amarillo and Lubbock, Tex.

Morris seeks to maintain growth through clustering newspaper and printing operations in its markets. For example, in the Jacksonville area, Morris publishes the port city's only daily papers, the morning *Florida Times-Union* and evening *Journal*, and also the evening *St. Augustine Record*, circulating about 13,000 in that retirement and tourist area, and the weekly *Putnam County Courier Journal*, to the south in Crescent City, Fla. In addition, St. John Publishing Co., operating at the *St. Augustine Record* production plant, turns out commercial printing, including newsprint marketing supplements for the *Record's* advertisers.

Similarly, Hartwell Publications in Hartwell, Ga., serves Morris ad clients in its Athens, Ga., marketing area. Besides its morning *Daily News* and evening *Banner-Herald* in Athens, Morris publishes in surrounding counties the semiweekly *Elberton* (Ga.) *Star-Beacon*, and two weeklies, the *News Leader* in Royston and the *Sun* in Hartwell.

The biggest of these ancillary printing operations is in Amarillo, where Morris owns the city's two dailies, the

Mags rev up Knapp returns

Unlike many other magazine companies that experienced flat to declining advertising in 1986, Knapp got sterling performances from its big three—*Architectural Digest, Bon Appetit* and *Home*—which gave the Los Angeles-based company a year-to-year 15.1% increase in net media revenues.

COME TO RHODE ISLAND AND SEE IF YOUR CHICKEN CAN FLY ACROSS AMERICA.

A company like Weaver doesn't launch new products on a wing and a prayer. To find out how their new chicken specialties would fly nationally, they rolled out their Zesty Wing line extension in Rhode Island. Because Rhode Island's a near-perfect microcosm of America. With demographic and economic profiles that are remarkably close to the national norm. What's more, the market's virtually immune to media spillage. And it's extremely cost-efficient. You can reach practically everyone in the market through Rhode Island's only major newspaper. At a CPM that's mere chicken feed. So if you're introducing something new to America, don't run around like a chicken with its head chopped off. Come to Rhode Island. Call Bill Peckham at 401-277-7172 or write and ask for our free test market information kit.

RHODE ISLAND
Put America to the test.

The Providence Journal-Bulletin
Put America to the test.
75 Fountain St., Providence, RI 02902
Represented nationally by Cresmer, Woodward, O'Mara & Ormsbee

morning *Daily News;* evening *Globe-Times.* The company's Southwestern Publications Co. produces telephone directories, booklets, perfect-bound books, and other major publications.

A major construction development for Morris was the opening on March 28, 1987 of a new 58,000-sq. ft. production plant for *Juneau Empire,* the sole daily newspaper in Alaska's capital city of 22,000. Another newspaper plant for the *Athens Banner-Herald* is being planned.

Only one magazine publishes under the Morris banner, a tabloid format semimonthly, *Quarter Horse News.* Issued from Fort Worth, Texas, the magazine is of special interest to Morris Communications owner, William S. Morris III, himself a horse owner and breeder. *Quarter Horse News* circulation is about 10,500, mostly paid.

MORRIS COMMUNICATIONS
P.O. Box 936
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Corporate Personnel
William S. Morris III, chmn-ceo
Paul Simon, president
Naegele Outdoor Advertising
713 Broad Street
Atlanta, Ga. 30901
(404) 724-8987
Corporate Personnel
Richard Marlowe, president
MEDIA PROPERTIES
Newspapers
ALASKA: *Juneau Empire.* FLORIDA: *Florida Times-Union* (Jacksonville), *Jacksonville Journal, St. Augustine Record.* GEORGIA: *Athens Banner Herald, Athens Daily News, Augusta Chronicle, Augusta Herald, Savannah Evening Press, Savannah Morning News.* TEXAS: *Amarillo Daily News, Amarillo Globe-Times, Lubbock Avalanche Journal, Lubbock Evening Journal.*
Newspapers (non-dailies)
FLORIDA: *Putnam County Courier Journal* (Crescent City). GEORGIA: *Elberton Star, Hartwell Sun, News-Leader* (Royston). SOUTH CAROLINA: *Hilton Head News.* TEXAS: *Quarter Horse News.*
Outdoor
Naegele Outdoor Advertising Co.
OTHER OPERATIONS
Hartwell Publications, Southwestern Publications, St. Johns Publishing Co.

Multimedia Inc. — RANK 38
Greenville, S.C.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	372.0	336.0	10.7
Total sales	372.0	336.0	10.7
Net income	(5.0)	22.0	(122.7)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	117.0	109.0	7.3
Magazine	—	—	—
Broadcast	174.0	153.0	13.7
Cable	81.0	74.0	9.5
Other	—	—	—

At Multimedia Inc., revenues have continued to climb despite softness in the ad market, enabling the company to retire debt resulting from a 1985 recapitalization at a much faster rate than anticipated.

Revenues at the Greenville, S.C.-based company were up 10.7% in 1986 to $372 million. The trend continues with first quarter 1987 sales of $89.8 million, up 9.7% over the first quarter a year ago.

Applying 1986's increased revenues to the debt resulted in a net loss for the year of $5 million, down from net gain of $22 million in 1985 but contrasted favorably with the $19 million the company had expected to lose in 1986. A profit is predicted for 1987, something previously considered unlikely.

Because of the debt payment, President-CEO Walter E. Bartlett says Multimedia has no plans to acquire properties or pay dividends. "We are keeping our capital spending very tight."

There are 14 daily and 33 non-daily newspapers, five TV and eight radio stations, nearly 100 cable franchises in Kansas, Illinois, North Carolina and Oklahoma, and an entertainment division producing syndicated TV daytime talk shows bearing the names of their hosts, Phil Donahue and Sally Jessy Raphael.

During the year, four small cable systems in Kansas adjacent to franchises already owned were bought, in line with Multimedia's preference for clustering its cable systems.

WWNC-AM, a country music station in Asheville, N.C., with a whopping 35% market share, is being sold. An agreement has been reached in which Heritage Broadcast Group will buy the station for $7.3 million. Heritage operates WKST-FM and WISE-AM in Asheville.

Basic cable subscribers in the four states served numbered 294,000 by the end of 1986, and pay subscribers, 260,000. Revenues of $81 million in 1986 were up 9% over 1985.

All four network-affiliated TV stations were tops in their markets in the February Nielsen ratings, says Mr. Lynagh, and the only independent station, WZTV in Nashville, was No. 1 among independents in its market. TV-radio station revenues were up 11% in 1986, to $119.3 million.

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Walter E. Bartlett, president-ceo
Donald J. Barhyte, president, newspaper div
Multimedia Broadcasting Co.
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(513) 352-5063
Corporate Personnel
James T. Lynagh, president
Multimedia Cablevision Co.
P.O. Box 3027
Wichita, Kan. 67201
(316) 262-4270
Corporate Personnel
Donald D. Sbarra, president
MEDIA PROPERTIES
Broadcasting
TV: KSDK, St. Louis; WLWT, Cincinnati; WZTV, Nashville, Tenn.; WBIR-TV, Knoxville, Tenn.; WMAZ-TV, Macon, Ga.
RADIO: KEEL (AM, FM), KMBQ-FM, Shreveport, La.; WMAZ (AM,FM), Macon, Ga; WWNC-FM, Asheville, N.C.; WFBC (AM, FM), Greenville/[illegible]tanburg, S.C.; WEZW-FM, Milwaukee.
Cable/video
SYSTEMS: ILLINOIS: Alsip/Worth, Batavia, Chicago Ridge, Evergreen Park, Harvey, Hometown, Lisle, Markham, Oak Forest, Oak Lawn, Phoenix, Kane County, Four Lakes, South Holland, Villa Park. KANSAS: Bel Aire, Colonial Mobile Home Park, Crestview/Shadybrook, East Borough, Great Bend, Herington, Hoisington, Kechi, LaCrosse, Larned, Lyons, McConnell Air Force Base, McPherson, Medicine Lodge, Oaklawn, Park City, Rolling Hills, Sedgwick County, Springdale/Timberlakes, Wichita. NORTH CAROLINA: Ayden, Battleboro, Beaufort County, Bethel, Bridgeton, Clinton, Chocowinity, Craven County, Edgecombe County, Enfield, Greenville, Kinston, La Grange, Lenoir County, Martin County, Nash County, Nashville, New Bern, Parmele/Bethel, Pitt, River Bend, Robertsonville, Rocky Mount, Sampson County, Scottland Neck, Sharpsburg, Tarboro, Trent Woods, Vanceboro, Walnut Creek, Washington, Wayne County, Winterville, Wingate. OKLAHOMA: Bethany, Bixby, Chickasha, Cresent, Cushing, Del City, Edmond, El Reno, Erin Springs, Guthrie, Lindsay, Logan County, Midwest City, Moore, Mustang, Nichols Hill, Norman, Perry, Stillwater, Tinker Air Force Base, Valley Brook, The Village, Warr Acres, Yukon.
Newspapers
ALABAMA: *Advertiser* (Montgomery). *Alabama Journal* (Montgomery). ARKANSAS: *Baxter Bulletin* (Mountain Home). FLORIDA: *News Chief* (Winter Haven). GEORGIA: *Moultrie Observer.* NORTH CAROLINA: *Asheville Citizen, Asheville Times.* OHIO: *Gallipolis Daily Tribune, Daily Sentinel* (Pomeroy). SOUTH CAROLINA: *Greenville News, Greenville Piedmont.* TENNESSEE: *Leaf-Chronicle* (Clarksville). VIRGINIA: *Daily News Leader* (Staunton). WEST VIRGINIA: *Point Pleasant Register.*
Newspapers (non-dailies)
ALABAMA: *Progress* (Prattville), *Review, Bonus* (Montgomery), *Gulf Coast Magazine,* a summer guide. ARKANSAS: *Twin Lakes Shopper* (Mountain Home). FLORIDA: *Auburndale Star, Orange Shopper, TV & Shopping Guide, Ad Express* (Winter Haven). GEORGIA: *Weekly Moultrie Observer.* NORTH CAROLINA: *Asheville Citizen, Asheville Times Neighbors-North, South, East, West, Smoky Mountain Neighbors, Extra Neighbors.* OHIO: *Tri-County News* (Gallipolis). SOUTH CAROLINA: *Poinsett Register* (Greenville). *The Paper* (Spartanburg). TENNESSEE: *Ashland City Times, Clarksville Money Saver, Dickson Herald, Humphreys County Money-Saver, Nashville Record, News-Examiner* (Gallatin), *Stewart-Houston Times* (Dover-Erin), *Music City News* (Nashville), *Star News* (Hendersonville), *Rural Examiner* (Gallatin), *Shopper's Fair* (Dickson), *Cheatham County Money-Saver.* VIRGINIA: *Spotlight* (Staunton).
OTHER OPERATIONS
Program productions: "Donahue," "Sally Jessy Raphael," "America Comes Alive," "Young People's Specials," "New Music City USA," Multimedia Productions.

News Corp. Ltd. — RANK 19
Sydney

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	841.3	584.0	44.1
Total sales	2,670.0	1,900.0	40.5
Net income	169.9	74.4	128.4
Sales by media	**1986**	**1985**	**% chg**
Newspaper	500.0	435.0	14.9
Magazine	180.0	149.0	20.8
Broadcast	122.8	—	—
Cable	38.5	—	—
Other	—	—	—

The U.S. contribution to worldwide media operations of News Corp. Ltd. controlled by Rupert Murdoch, continues to escalate following the purchase of seven TV stations and the forging of a new TV network in 1986.

Of worldwide total revenues in the fiscal year ended last June 30, 1986, U.S. holdings, largely in media, contributed $1.31 billion, or 49% of worldwide revenues of $2.67 billion. World revenues were up 40.5%, and net profit was $169.9 million, up 128%, over the prior year. News Corp. is ranked in this issue on its U.S. holdings.

Media acquisitions during calendar 1986, however, sent U.S. contributions to News Corp.'s fiscal performance soaring in the current fiscal year. In the first nine months of fiscal 1987, the U.S. portion, largely in new media activity, rose to $1.46 billion or 58% of worldwide revenues of $2.52 billion. The U.S. accounted for 61% of worldwide net profit of $147.1 million, or $89.7 million for the three quarters. For the period, worldwide revenues were up 34%, and net profit up 50% over 1986 levels.

The big contribution to year-to-year growth at News Corp. was the $1.55 billion purchase in 1986 of six of seven major market TV stations from Metromedia Inc. The stations, with the addition of WXNE-TV in Boston, now WFXT-TV, have a 23.9% coverage of all U.S. TV households.

In 1986, News Corp. restructured its TV and entertainment holdings into three principal groups: Twentieth Century Fox film; Fox TV Stations, and Fox Broadcasting Co., which late in 1986 became the nation's fourth commerical broadcast network.

FBC was launched in May and rolled out by October when "The Late Show with Joan Rivers" hit the air. By June 1987, however, internal disputes about content and format and a continual ratings erosion led to Ms. Rivers leaving her post as permanant host. Meantime, FBC's prime-time programming, which to date had been confined to Sunday nights, delivered an audience under projections.

News America Publishing, the umbrella for News Corp.'s U.S. print holdings, had revenue gains from magazine and newspaper operations.

Elle, News Corp.'s 50% joint venture with Hachette, the French publishing house, increased ad pages 342.4% to 1,417 and ad revenues 535.9% to $15.86 million during calendar 1986, according to Publishers Information Bureau. Among other News Corp. titles, *Star* increased revenues 12.4% to $13.9 million against an ad page loss of 8.5%; *New Woman* was up 30.8% in pages and 49.3% in revenues to $10 million; *European Travel & Life* was up 97% (there were only four issues in 1985) in ad revenue to $1.7 million. Ad pages were flat at *New York,* with revenues up 7.8% to $41.3 million. Ad revenues at *Automobile,* in its first full year of publication, reached $3.3 million.

In newspapers, News Corp. sold the *Chicago Sun-Times* to an investor group headed by the paper's publisher, Robert Page, for $145 million., after News Corp. had bought WFLD-TV in Chicago in the deal with Metromedia. It then sold its news syndicate, News America Syndicate, to Hearst Corp.

In Boston, the *Herald* was running at break-even for the first time in years. News Corp. will be forced to seek a waiver from the cross-ownership laws or sell the paper because it bought WFXT-TV in Boston.

In New York, the *Post* lost an estimated $10 million in 1986. It, too, must be sold or a waiver sought from the cross-ownership laws because WYNY-TV was acquired from Metromedia.

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Corporate Personnel
Barry Diller, chmn-ceo
Jamie Kellner, president
Derk Zimmerman, president-coo, Fox tv stations
News America Publishing Co.
210 South St.
New York, N.Y. 10002
(212) 815-8000
Corporate Personnel
Martin Singerman, president-coo
MEDIA PROPERTIES
Broadcasting
TV: WFXT-TV, Boston; WFLD-TV, Chicago; KDAF-TV, Dallas-Fort Worth; KRIV-TV, Houston; KTTV-TV, Los Angeles; WNYW-TV, New York; WTTG, Washington.
Magazines
Automobile, A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commercial Aviation, Elle, European Travel & Life, Hotel & Travel Index, Meetings & Conventions, New Woman, New York, Official Hotel & Resort Guide, Official Meeting Facilities Guide, Star, Travel Weekly, Weekly of Business Aviation, World Aviation Digest, World Travel Digest.
Newspapers
MASSACHUSETTS: *Boston Herald.* NEW YORK: *New York Post.* TEXAS: *San Antonio Express-News.*
OTHER PROPERTIES
Twentieth Century-Fox, Harper & Row (pending).

New York Times Co. — RANK 11
New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,564.7	1,393.8	12.3
Total sales	1,564.7	1,393.8	12.3
Net income	132.2	116.3	13.7
Sales by media	**1986**	**1985**	**% chg**
Newspaper	1,252.4	1,108.7	13.0
Magazine	219.3	216.5	1.3
Broadcast	57.0	42.0	35.7
Cable	36.0	26.6	35.3
Other	—	—	—

The guard changed in late 1986 at the *New York Times* when Max Frankel was named to succeed A.M. Rosenthal as executive editor, a position Mr. Rosenthal had held since 1977.

Mr. Frankel, who had been editorial page editor since 1976, assumes the new post with a company in strong financial position. For calendar 1986, New York Times Co. had revenues of $1.57 billion, up 14.3% from 1985. Net income increased 13.7% to $132.2 million. For the first quarter of 1987 revenues were $409 million, up 9%. Net income was $41.1 million, up 21%.

Revenues in the newspaper group, consisting of the *Times* and 32 regional papers, were $1.25 billion, up 13%, while operating profits rose 25%, to $245.4 million. Ad linage at the *Times* rose 5.9%, to 118 million lines. The *Times Magazine* topped all magazines in total ad pages for the second straight year, with 4,127 pages.

Average daily circulation topped a million for the first time on weekdays, rising 2.6% to 1,019,000. Sunday circulation increased 0.3% to 1,604,000. For the first quarter, the *Times'* ad linage rose 7.9%, compared with 1986.

The *Times'* regional newspapers suffered from sluggish advertising. Ad volume declined 1% to 15.9 million inches for the 27 papers the company had for the full years of 1985 and 1986. That excludes five papers purchased during 1985. The trend continued in the first quarter, as ad volume for all 32 papers slipped 3.1%.

Revenues in the magazine operations rose 1% for the year, to $219.2 million, although operating profits moved ahead 44.5% to $25.5 million. The company attributed that gain to a good showing by *Golf Digest* and tighter operations and distribution.

Family Circle underwent extensive staff shifts on the business and editorial sides as ad pages slipped 3.3% to 1,792. Circulation dropped 2.5%.

Family Circle began publishing a quarterly in 1986 called *Decorating Remodeling.* It had average circulation of 457,000 and carried 135 ad pages.

The Broadcasting/Cable TV Group boosted revenues 36%, to $93.1 million, while operating profit increased 30% to $14.3 million. The results included full-year returns from two TV stations acquired in 1985, bringing the total to five. The cable operations, serving 56 communities in New Jersey, rose 7.7% in subscribers to 140,000.

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Corporate Personnel
William T. Kerr, president
New York Times Broadcast Group
803 Channel 3 Drive
Memphis, Tenn. 38103
(901) 557-0100
Corporate Personnel
C. Frank Roberts, president
MEDIA PROPERTIES
Broadcasting
TV: WHNT-TV, Huntsville, Ala.; KFSM-TV, Fort Smith, Ark.; WREG-TV, Memphis, Tenn.; WNEP-TV, Wilkes-Barre/Scranton, Pa.; WQAD-TV, Moline, Ill.
RADIO: WQXR (AM, FM), New York.
Cable/video
SYSTEMS: NEW JERSEY: NYT Cable TV, Cherry Hill.
Magazines
Child, Cruising World, Decorating Remodeling, Family Circle, Golf Digest, Golf Shop Operations, Golf World (U.K.), *New York Times, Southern Travel, Tennis, Tennis Buyer's Guide.*
Newspapers
ALABAMA: *Times Daily* (Florence), *Gadsden Times, Tuscaloosa News.* CALIFORNIA: *Press Democrat* (Santa Rosa), *Santa Barbara News-Press.* FLORIDA: *Gainesville Sun, Lake City Reporter, Ledger* (Lakeland), *Leesburg/Commercial, Ocala Star-Banner, Palatka Daily News, Sarasota Herald-Tribune.* KENTUCKY: *Daily News* (Middlesboro), *Harlan Daily Enterprise,Messenger* (Madisonville). LOUISIANA: *Comet* (Thibodaux), *Daily World* (Opelousas), *Houma Daily Courier.* MISSISSIPPI: *Daily Corinthian* (Corinth). NEW YORK: *New York Times.* NORTH CAROLINA: *Dispatch* (Lexington), *Lenoir News-Topic, Times-News* (Hendersonville), *Wilmington Morning Star.* SOUTH CAROLINA: *Spartanburg Herald-Journal.* TENNESSEE: *State Gazette* (Dyersburg).
Newspapers (non-dailies)
FLORIDA: *Avon Park Sun, Marco Island Eagle, News-Leader* (Fernandina Beach), *Sebring News.* MAINE: *York County Coast Star* (Kennebunk). MISSISSIPPI: *Banner-Independent* (Booneville). TENNESSEE: *Claiborne Progress* (New Tazewell).
Other media operations
New York Times Syndication Sales Corp., operating The New York Times News Service, Special Features (a syndicate for non-Times materials), and NYT Pictures; equity interests in three Canadian newsprint companies, 80% interest in Madison (Maine) Paper Industries, manufacturing mostly supercalendared paper, and 33% interest in the *International Herald Tribune.*

RANK **26**

Opubco

Oklahoma City

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	500.0	411.0	21.7
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	135.0	154.0	(12.3)
Magazine	—	2.0	—
Broadcast	305.0	240.0	27.1
Cable	60.0	15.0	300.0
Other	—	—	—

Most of the growth in 1986 at Oklahoma Publishing Co., Oklahoma City, is attributed to a 300% increase in revenues from The Nashville Network cable operations. TNN sales ballooned from $15 million in 1985 to $60 million in 1986, says Oklahoma Publishing President Edward L. Gaylord.

Oklahoma Publishing, which grew 21% in revenues to $500 million, gained the cable network in 1983 when it purchased the Grand Ole Opry, Nashville. The Opryland Hotel, Opryland theme park, cable station and production company were included in the package. TNN has more than 33 million subscribers, up 20% from 1985.

The private company, known as Opubco, closely guards its financial information. Other income comes from newspapers, broadcasting, electronic database services and other operations.

Broadcast sales were up slightly in 1986, says Mr. Gaylord, but newspaper sales were down 12.3% to about $135 million because of the $30 million sale in 1986 of the *Colorado Springs* (Colo.) *Sun*, to Freedom Newspapers, Santa Ana, Calif., which publishes the rival Colorado Springs *Gazette Telegraph*. Freedom ceased publication of the *Sun* in February 1986.

The flagship, *Oklahoman & Times* and *Sunday Oklahoman*, according to ABC FAS-FAX reports covering the six-months ended March 31, 1987 had daily circulation at 239,024, a slight dip from a year ago, and Sunday circulation of 334,615, up 1.8%.

Gaylord Broadcasting Co., the broadcast division, currently is selling two units in 1987. CBS-affiliate WTVT-TV, Tampa, Fla., expected to close this June, will go to an investment group that includes Nashville-based George Gillett and Clarence V. McKee, a Washington communications attorney at Pepper & Corrazzini, the law firm handling most FCC matters for the 10 TV stations owned by Mr. Gillett. Price is $365 million. Gaylord is also in the process of selling WVUE-TV, an ABC affiliate in New Orleans, for $60 million to Burnham Broadcasting, Chicago. That sale is expected to close in October.

On completion of these divestitures, Gaylord will be left with five independent stations. Last year, the company indicated that two of the independents, KSTW-TV, Tacoma/Seattle, Wash., and WVTV-TV, Milwaukee, might also be on the block.

DataTimes, the electronic database news retrieval subsidiary of Opubco's Datatek Corp., has grown to include full-text electronic libraries of 30 newspapers, with 15 more scheduled to sign on this fall. DataTimes now serves about 3,000 subscribers, says Allen Paschal, Datatek VP.

A new database, Business Dateline, is the combined effort of Dow Jones News/Retrieval and UMI/Data Courier. Selected full-text articles from business journals are now available to DataTimes customers.

Opubco owns a 35% stake in the Texas Rangers baseball team, located in Arlington, Tex. Gaylord's KTVT-TV in Dallas-Fort Worth has TV rights for the baseball team.

OKLAHOMA PUBLISHING CO.
Oklahoman & Times
P.O. Box 25125
Oklahoma City, Okla. 73125
(405) 232-3311

Corporate Personnel
Edward L. Gaylord, president, publisher
Gaylord Broadcasting Co.
P.O. Box 31365
Dallas, Texas 75231
(214) 363-8722
Corporate Personnel
Edward L. Gaylord, chmn-ceo
William S. Banowsky, president
Opryland USA
2804 Opryland Drive
Nashville, Tenn. 37214
(615) 889-6600
Corporate Personnel
E.W. Wendell, president
MEDIA PROPERTIES
Broadcasting
TV: Gaylord Broadcasting Co.: KHTV, Houston; KSTW, Tacoma, Wash.; KTVT, Dallas-Fort Worth; WTVT, Tampa, Fla.; WUAB, Lorain (Cleveland), Ohio; WVTV, Milwaukee; WVUE, New Orleans.
RADIO: WKY, Oklahoma City; WSM (AM, FM), Nashville.
Cable/video
CHANNELS: The Nashville Network.
Newspapers
OKLAHOMA: *Oklahoman & Times*, Sunday *Oklahoma*.
OTHER OPERATIONS
Datatek, Gaylord Productions, Gaylord Syndicom, Grand Ole Opry and AcuffRose music publishing, Music Country Radio Network, Opryland Hotel, Opryland theme park, Opryland Productions, Texas Rangers (35% interest).

RANK **44**

Pulitzer Publishing Co.

St. Louis

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	329.0	272.0	21.0
Total sales	329.0	272.0	21.0
Net income	16.4	20.0	(18.0)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	232.0	179.0	29.6
Magazine	—	—	—
Broadcast	97.0	93.0	4.3
Cable	—	—	—
Other	—	—	—

Pulitzer Publishing Co.'s revenues soared 21% in 1986, but net income fell 18% as the company fought off a hostile takeover attempt, which ended with the $187.4 million buyout of dissident Pulitzer relatives who had attempted to force the company's sale.

The 109-year-old family company, traditionally secretive about its business affairs, opened its doors just a crack when it offered 1.4 million common shares to the public in December 1986, but it kept control in the hands of family members.

Some 98% of the voting power is consolidated in a voting trust controlled by chairman Joseph Pulitzer Jr., his half-brother, Michael Pulitzer, president of the company, and a cousin, David Moore—all three grandsons of the founder, the late Joseph Pulitzer.

Revenues in the first quarter calendar 1987 rose 22% to $83.7 million fueled by gains in publishing. Much of that growth came from the *St. Louis Post-Dispatch*, which stands alone as St. Louis' only daily since the October shutdown of the *Globe-Democrat*. Returns also included revenues contributed by the Southtown Economist Newspapers, a Chicago community newspaper group bought in April 1986.

First quarter net income fell to $1.5 million, down 56.2% from a year earlier. Cited were higher interest expenses and costs related to the purchase of the Southtown Economist group, the latter of which will continue to depress income through 1988, says the company.

The *Post-Dispatch* already is reaping the benefits of its new monopoly status. In January it increased ad rates about 8%. ABC FAS-FAX reports comparing March 31, 1987 with the year-earlier period placed daily circulation at 357,314, up 12.2%, and Sunday at 548,955, up 5.7%. Full-run advertising linage grew 9.3% in 1986 with classified rising 17.9%, a reflection of a strong year in auto and home sales.

Officials say the *Post-Dispatch* continues to increase penetration in St. Louis city and county, and expect daily circulation to reach 400,000 by the end of the year. But "we don't see a lot of new retail outlets coming in," says Nicholas Penniman IV, senior vp-newspaper operations.

The company moved aggressively into the Chicago suburbs in 1985-86 when it bought two local chains—Lerner Newspapers for $9 million and Southtown Economist group for $40 million. Pulitzer hoped to build a ring of suburban papers in Chicago akin to the blanket market coverage of Ingersoll Publishing in suburban St. Louis, but abandoned the strategy because of Chicago's size.

Southtown's unaudited paid daily circulation grew from 18,433 early last year to 30,600 in May while Sunday circulation in the same period increased by 11,600 to 46,000, says Mr. Penniman.

The daily circulation of Pulitzer's Tucson morning paper, the *Arizona Daily Star*, grew to 87,571 as of March 31, 1987, up 9% from a six-month average pulled March 31, 1986, according to ABC FAS-FAX reports.

PULITZER PUBLISHING CO.
900 N. Tucker Blvd.
St. Louis, Mo. 63101
(314) 622-7000
Corporate Personnel
Joseph Pulitzer Jr., chmn
Michael Pulitzer, president
Nicholas Penniman, sr vp-newspaper operations
MEDIA PROPERTIES
Broadcasting
TV: KETV, Omaha, Neb.; KOAT-TV, Albuquerque, N.M.; WGAL-TV, Lancaster, Pa.; WLKY-TV, Louisville, Ky.; WPTA, Fort Wayne, Ind.; WXII, Winston-Salem, N.C.; WYFF-TV, Greenville, S.C.
RADIO: KKLT-FM, KTAR, Phoenix, Ariz.
Newspapers
ARIZONA: *Arizona Daily Star* (Tucson).
ILLINOIS: *Chicago Southtown Economist, South Suburban Southtown Economist, Southwest Suburban Southtown Economist.*
MISSOURI: *St. Louis Post-Dispatch.*
Newspapers (non-dailies)
ILLINOIS: Myers Newspapers-*Albany Park News, Chicago Sunday Star, North Town News, Ravenswood-Lincolnite, Ravenswood News, Rogers Park-Edgewater News, Uptown News.* Booster Newspapers-*Lincoln-Belmont Booster, Lincoln Park Lake View Booster, North Center-Irving Park Booster, Weekend Booster.* Southtown Economist Newspapers-*Calumet City-Burnham Economist Pointer, Riverdale-Dolton Economist Pointer, Glenwood-Thornton Economist Pointer, Homewood-Flossmoor-Olympia Fields Economist Pointer, Lansing Economist Pointer, South Holland/Economist Pointer, Southtown Economist, Central; Southtown Economist, South; Blue Island/Sun-Standard, Calumet Park/Sun-Standard.* Times Newspapers-*Harlem-Foster Times* (city), *Harlem-Foster Times* (suburban), *Harlem-Irving Times* (city), *Harlem-Irving Times* (suburban), *Franklin Park Times, Elmwood Park Times, Northwest Times, River Grove Times, Schiller Park Times, Portage Park Times, Jefferson-Mayfair Times, Logan Square Times.* Near North Suburban-*Lincolnwood Life, Morton Grove Life, Niles Life, Skokie Life.* Far North Suburban-*Deerfield Life, Northbrook Life, Glenview Life, Wheeling Life.* Skyline-*Skyline.* Voice Newspapers-*DuPage County Voice, Voice of Bensenville, Voice of Hanover Park North, Voice of Hanover Park South, Voice of Hoffman Estates, Voice of Itasca, Voice of Roselle, Voice of Bloomingdale, Voice of Schaumburg, Suburban Voice.*
Other media operations
Sports Stats (80% interest), Frank Popper Audiovisual Productions.

RANK **27**

Reader's Digest Assn.

Pleasantville, N.Y.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	486.0	512.0	(5.1)
Total sales	1,400.0	1,282.0	9.2
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	486.0	500.0	(2.8)
Broadcast	—	—	—
Cable	—	—	—
Other	—	12.0	—

Reader's Digest Assn. acquired *Travel/Holiday* magazine at the end of 1986, and in April sold The Source, a computer-based information service, in keeping with a new strategy of staying within four core business lines adopted by a new management team headed by Chairman-CEO, George Grune and Chief Operating Officer Richard McLoughlin.

RD lists those four core areas as magazines, recorded music, direct mail and book publishing, the latter being the largest revenue-generator and accounting for 44% of Reader's Digest's $1.4 billion in worldwide net revenues.

At the end of last year, Pleasantville, N.Y.-based Reader's Digest took a major step in expanding its magazine business—35% of total revenue—when it purchased the monthly *Travel/Holiday* from owner-publisher Sheldon Shane. Advertising gross revenues for the monthly were $6.2 million, up 1.4% over 1985, according to Publishers Information Bureau. Ad pages, however, dropped 5.7% to 432. Headquartered in Floral Park, N.Y., *Travel/Holiday* dates to 1901. Current circulation is 780,000.

Mr. Grune says travel is "a consistently strong industry, even in tough times," in citing RD's interest. The magazine also has similar demographic features to *Reader's Digest*, thereby contributing to the company's direct mail core of 16.3 million subscribers. RD records more than $1 billion in revenues annually through direct mail.

This April Welsh, Carson, Anderson & Stowe, a venture-capital company, bought RD's 80% stake in Source, the computer-based information service headquartered in McLean, Va. Source serves more than 100,000 personal computer users and generated over $14 million in revenues last year.

Reader's Digest cut its rate base last year to 16,250,000 and lowered ad rates 3%, which improved profitability, according to Craig Louder, public relations director of the company. Ad pages grew 12.3% in 1986 to 1,203, according to PIB, although gross ad revenue dropped 1% to $109.4 million.

READER'S DIGEST ASSOCIATION
Pleasantville, N.Y. 10570
(914) 769-7004
Corporate Personnel
George Grune, chairman-ceo
Kenneth A. Gordon, vp-publisher
Travel/Holiday
Travel Bldg. 51 Atlantic Ave.
Floral Park, N.Y. 11001
(516) 352-9700
Corporate Personnel
Sheldon Shane, publisher
MEDIA PROPERTIES
Magazines
Reader's Digest, Travel Holiday.
OTHER OPERATIONS
Reader's Digest Entertainment, book publishing, mail-order sales of records, tapes and videocassettes, QSP (youth fund-raising organization), specialty products, financial services (health and life insurance), travel services.

RANK **17**

Scripps Howard

Cincinnati

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,062.0	924.0	14.9
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	750.0	702.0	6.8
Magazine	51.0	50.0	2.0
Broadcast	210.5	135.0	55.9
Cable	50.5	37.0	36.5
Other	—	—	—

Scripps Howard entered the media-swapping business this year to enhance an acquisition made last year when SH purchased *Naples* (Fla.) *Daily News*. The acquisition gained further significance when SH traded nine weeklies in suburban St. Petersburg and Tampa in April 1987 for eight weeklies in and around Naples and Fort Myers to the north owned by Tribune Co. The trade gave both media companies contiguous media properties grouped around major newspapers.

Scripps Howard in July 1986 gained full ownership of TeleScripps Cable Co. by buying out the 50% interest of partner, Tele-Communications, for $78 million. TeleScripps serves 375,000 basic subscribers.

Scripps Howard Broadcasting, SH's publicly held broadcast unit, purchased WXYZ-TV, an ABC affiliate in Detroit, and WFTS-TV, a Tampa independent, from Capital Cities/ABC for $246 million. The purchases, folded into operations January 1986, largely influenced growth in total reve-

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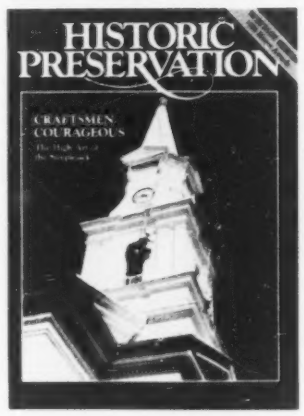

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nues at the broadcast company of 56.5% to $210.5 million in 1986, and the drop in net income from $30.9 million in 1985 to $5.5 million because of higher interest payments and costs related to the purchases.

In September the company completed its merger with the John P. Scripps newspaper group, controlled by a different branch of the family. The merger added six dailies and four non-dailies in California, plus a daily in Washington.

At yearend, the company received $24 million in stock of American City Business Journals, Kansas City, Mo., for its 11 metropolitan business journals and three magazines comprising its Scripps Howard Business Journals group.

SCRIPPS HOWARD
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Corporate Personnel
Lawrence A. Leser, president-ceo
William R. Burhegh, sr vp, president-news papers & publishing
Michael W. Callaghan, vp-cable
Scripps Howard Broadcasting Co.
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(216) 431-3720
Corporate Personnel
Donald L. Perris, president-ceo
MEDIA PROPERTIES
Broadcasting
TV: WCPO-TV, Cincinnati; WEWS-TV, Cleveland; WMC-TV, Memphis, Tenn.; WPTV, West Palm Beach, Fla.; KJRH, Tulsa, Okla.; KNXV-TV, Phoenix, Ariz.; KSHB-TV, Kansas City, Mo.; WXYZ-TV, Detroit; WFTS, Tampa, Fla.
RADIO: WMC (AM, FM), Memphis, Tenn.; KUPL (AM, FM) Portland, Ore.; WBSB-FM, Baltimore.
Cable/video
SYSTEMS: CALIFORNIA: Sacramento, Tulare County. COLORADO: Denver, Fort Lupton, Lafayette, Longmont, Loveland, Louisville, Parachute. FLORIDA: De Bary, Madison/Jasper, Leesburg. GEORGIA: Blue Ridge, Elberton, North DeKalb, Rome, Tallapoosa, Walker County, Waynesboro. KENTUCKY: Barbourville, Elizabethtown, Glasgow, Lake City/LaFollette, Livingston. SOUTH CAROLINA: Newberry. TENNESSEE: Chattanooga, Knoxville, Gray, Greensville. VIRGINIA: Glade Springs. WEST VIRGINIA: Bluefield.
Newspapers
ALABAMA: *Birmingham Post-Herald*. CALIFORNIA: *Redding Record-Searchlight, San Luis Obispo Telegram-Tribune, Thousand Oaks News-Chronicle, Tulare Advance-Register, Ventura County Star Free-Press, Watsonville Register-Pajaronian*. COLORADO: *Rocky Mountain News* (Denver). FLORIDA: *Naples Daily News, Stuart News, Sun-Tattler*. INDIANA: *Evansville Courier*. KENTUCKY: *Kentucky Post* (Covington). NEW MEXICO: *Albuquerque Tribune*. OHIO: *Cincinnati Post*. PENNSYLVANIA: *Pittsburgh Press*. PUERTO RICO: *San Juan Star*. TENNESSEE: *Commercial Appeal* (Memphis), *Knoxville News-Sentinel*. TEXAS: *El Paso Herald-Post*. WASHINGTON: *Bremerton Sun*.
Newspapers (non-dailies)
CALIFORNIA: *Alhambra Post-Advocate, Bell/Maywood/Cudahy Industrial Post, Bellflower/Paramount Herald American, Cambrian* (Cambria), *Central Coast Sun-Bulletin* (Morro Bay), *Bell Gardens Review, Buena Park News, Compton/Linwood Herald American, Downey Herald American, East Los Angeles Gazette, East Los Angeles Tribune* (Montebello), *Fullerton News Tribune, Huntington Park Bulletin, La Mirada Lamplighter, Montebello Commerce Tribune, Montebello News, Monterey Park Progress, Norwalk Herald American, Pico Rivera News, San Gabriel Progress, Scotts Valley Banner* (Alhambra), *Santa Fe Spring News* (Pico Rivera), *Valley Press* (Felton), *South Gate Press, South San Gabriel/Rosemead Progress* (Monterey Park), *West Whittier Independent* (Pico Rivera). FLORIDA: *Jensen Beach Mirror, Port St. Lucie Mirror, Stuart Mirror, Palm City Mirror, Port Salerno-Hobe Sound Mirror, Bonita Springs Banner, Collier County Shopping Guide* (Naples), *Courier Journal* (Jupiter), *Destin Log, Charlotte Shopping Guide, Island Reporter, Fort Myers Observer, North Fort Myers Observer, Cape Coral Observer, Fort Myers Beach Observer*.
Other media operations
George R. Hall Contracting, Kartes Video Communications, Print Communications Group (Consumer Communications Services, Pro Distributing Company/Saneck International), Scripps Howard Supply Co., Scripps Howard News Service, United Media (Newspaper Enterprise Assn, Pharos Books TV Data, TV Decisions, TV Extra, TV Update, United Feature Syndicate, United Media Canada, United Media Licensing, United Media Productions, World Almanac Education).

RANK **48**

Taft Broadcasting Co.

Cincinnati

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	281.1	283.4	(0.8)
Total sales	499.8	472.8	5.7
Net income	(53.1)	19.4	(373.7)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	281.1	283.4	(0.8)
Cable	—	—	—
Other	—	—	—

Three major shareholder groups of Taft Broadcasting Co. have put aside their apparent differences over the company's future and agreed to go their separate ways. As a result, Taft is expected to be acquired by a subsidiary of Carl H. Lindner's American Financial Corp. and continue to operate out of Cincinnati, though under a new corporate name, according to a board decision this month. Stockholder and regulatory approval still are required.

Taft's cable interests—with 544,000 basic subscribers—will likely operate as a separate entity.

Taft's strategic direction has been uncertain ever since investment partnerships associated with Texas financier Robert M. Bass began acquiring a stake in the company in 1985. Mr. Bass, who gained four seats on Taft's board in July 1986, eventually bought almost 25% of the company's stock.

Mr. Lindner, who has held large stakes in other media companies over the past decade, joined the fray in mid-1986, accumulating more than 16% of Taft's stock.

The third major shareholder group is the Taft family, which owned about 12% of Taft's stock as of 1986. It is represented on the board by three family members, including Dudley S. Taft, son of the company's founder. Dudley Taft stepped down as president-chief operating officer in July 1986 and was named vice chairman.

All three groups, controlling more than an aggregate 46% of Taft's stock, formed a partnership to take Taft private for $157 a share. Under the agreement reached by directors the company will become a subsidiary of general partner FMI Financial Corp., a publicly traded subsidiary 72% owned by American Financial.

Taft's cable properties—BT Cable, a partnership formed by Taft and the Bass group to acquire Wometco Cable in December 1986, and Taft Cable Partners, a partnership with Tele-Communications—as well as WTUN-TV in Columbus, Ohio, will come under the Bass group's control. Cable operations generated $11 million in revenue in fiscal 1986, a figure eclipsed in the first three quarters of fiscal 1987.

In a separate agreement, FMI has agreed to sell WGHP-TV in High Point, N.C., to a new entity formed by the Taft family and help it acquire at least one other major-market TV station. FMI will extend a $235 million line of credit, secured in part by the family's partnership interest, to finance further media acquisitions.

In early April, Taft completed the sale of its five independent TV stations—WTAF-TV, Philadelphia, WDCA-TV, Washington, WCIX-TV, Miami, KTXA-TV, Dallas, and KTXH-TV, Houston—to TVX Broadcasting Group for $240 million. Because of poor performance by the Houston and Dallas operations, Taft had been losing money on the independent group.

In radio, Taft in 1986 bought WBCS (AM, FM), Milwaukee, since renamed WLZR (AM, FM), and sold WRLT-FM and WGR-AM in Buffalo.

Reported earnings have continued to be depressed by $750 million in long-term debt, most of which was taken on to finance the acquisition of Gulf Broadcast properties in 1985.

For fiscal 1987 ended March 31, Taft report net revenues of $499.8 million, up 5.5%, and a loss of $53.1 million. Taft's broadcast group, which determines Taft's media ranking in this issue, was down 0.8% to $281.1 million and operating profit dropped 0.3% to $71.8 million. Losses during the year were attributed largely to the sale of its independent stations.

TAFT BROADCASTING CO.
1718 Young Street
Cincinnati, Ohio 45210
(513) 721-1414
Corporate Personnel
Charles S. Mechem Jr., chmn-ceo
Jack Sanders, exec vp-tv
Carl J. Wagner, exec vp-cable & radio
MEDIA PROPERTIES
Broadcasting
TV: WBRC-TV, Birmingham, Ala.; WDAF-TV, Kansas City, Mo.; WKRC-TV, Cincinnati; WTVN-TV, Columbus, Ohio; KTSP-TV, Phoenix, Ariz.; WTSP-TV, Tampa-St. Petersburg, Fla.; WGHP-TV, Greensboro/High Point, N.C.
RADIO: WKLS (AM, FM), Atlanta; WKRC-AM, WKRQ-FM, Cincinnati; WTVN, WLVQ-FM, Columbus, Ohio; WNDE-AM, WFBQ-FM, Indianapolis; WDAF-AM, KYYS-FM, Kansas City, Mo.; WDVE-FM, Pittsburgh; KEX-AM, KKRZ-FM, Portland, Ore.; WLZR (AM, FM), Milwaukee.
Cable/video
SYSTEMS: CONNECTICUT: Lakeville. MASSACHUSETTS: Cape Cod, Nantucket. MICHIGAN: Alpena, Battle Creek, Brighton, Charlevoix, Cheboygan, Muskegon, Niles, Ontonogan, Petoskey, Saginaw, St. Joseph, Ypsilanti. NEW HAMPSHIRE: Lebanon. BT Cable (50% interest); Taft Cable Partners (50% interest).
OTHER OPERATIONS
Taft Entertainment Co. (Cine Guarantors, Hanna-Barbera Productions, Ruby-Spears Enterprises, Southern Star Productions, Sunn Classic Pictures, Sy Fischer Co., Taft Entertainment/Lawson Group, Taft Entertainment Television, Taft Entertainment Motion Pictures, Taft-Hamilton Marketing Group, Taft Hardie Group Pty. Ltd., Titus Productions), Worldvision Enterprises, Canada's Wonderland (20%), Kings Entertainment Co. (30%), College Football Hall of Fame (managed by Taft), Coney Island, Jack Nicklaus Sport Center (a partnership), Kings Island Inn (a partnership), Kings Island Real Estate Co., Black Entertainment Television (a partnership).

RANK **23**

TCI

Denver

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	645.7	577.0	11.9
Total sales	645.7	577.0	11.9
Net income	72.3	10.1	615.8
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	—	—	—
Cable	645.7	577.0	11.9
Other	—	—	—

Tele-Communications Inc. broke out of a two-year earnings slump to end 1986 with net income of $72.3 million, up from only $10.1 million in 1985, a growth TCI attributes to gains from the sale and exchange of assets during the year. Earnings also were influenced by the company's expansion of existing systems, a 32.4% jump in basic subscriber levels and increases in rates in its cable TV system.

Beginning in 1987, Englewood, Colo.-based TCI raised its rate structure to offer more basic services to subscribers, says Art Lee, VP-cable operations. Basic rates now run from $10 to $15 per month.

TCI finished stringing its cable for its St. Louis franchise in the fourth quarter of 1986 that passes 130,000 homes, while beginning construction on a Washington, D.C. franchise that will pass 250,000 homes. At the end of the year, TCI was in 45 states.

TCI in June 1986 was one of several buyers of the 135-system Group W Cable from Westinghouse Electric Co. TCI's share was 35 systems in 17 states serving over 645,000 subscribers. The deal, closing in December, did not significantly affect TCI's 1986 returns.

TCI gained another 750,000 basic subscribers and more than 1,000 movie theaters in the last quarter of 1986 when it finalized a 65% stake in United Artists Communications.

In February 1987, TCI entered into a merger agreement with Des Moines-based Heritage Communications, and moved closer in April to that acquisition when it purchased a 6% stake in Heritage from the Robert M. Bass Group for about $48.2 million. At year-end, TCI totaled 4.2 million basic subscribers. That total could jump to 6.2 million subs with the Heritage purchase. TCI had 2.6 million pay subscribers by yearend 1986.

TCI served as one of the 31 investing units that bailed out Ted Turner this June by buying 37.5% of the stock in debt-ridden Turner Broadcasting Systems for $562.5 million. The group was led by TCI's commitment of $175 million.

TCI's largest sale of the year was in the March 1986 sale of its share of TeleScripps Cable Corp. for $78 million to Scripps-Howard Broadcasting Co., the TV and cable subsidiary of Scripps Howard.

During the first quarter of 1987, TCI launched a drive signing up premium subscribers. Called the Pay $2 Promo, it allowed existing subscribers who had not signed up for a pay service to do so at a rate of $2 per month for the initial first year. So far, about 700,000 subscribers have signed up, says Mr. Lee.

TCI lost its court battle against Central Telecommunications Inc., Jefferson City, Mo., when the U.S. Supreme Court refused to hear the case after lower courts had ruled against TCI. TCI was claiming violation of its First Amendment rights. Central was awarded damages of $36 million.

TELE-COMUNICATIONS INC.
54 Denver Technological Center
Call Box 22595, Wellshire Station
Denver, Colo. 80222
(303) 771-8200
Corporate Personnel
Bob Magness, chmn
John C. Malone, president
Art Lee, vp-cable operations
MEDIA PROPERTIES
Cable/video
ALABAMA: Birmingham, Centre, Piedmont. ARKANSAS: Ft. Smith. ARIZONA: Fredonia. CALIFORNIA: Brentwood, Camarillo, Daly City, El Cerrito, Fremont, Grass Valley, Los Banos, Martinez, Millbrae, Oakland, Pacifica, Pleasant Hill, Rio Vista, San Carlos, San Mateo, South Lake Tahoe, Sunnyvale, Tahoe, Travis AFB, Walnut Creek. COLORADO: Alamosa, Boulder, Craig, Del Norte, Delta, Denver, Durango, Englewood, Fort Morgan, Glenwood Springs, Lakewood, Leadville, Monte Vista, Montrose, Pueblo, Salida, Steamboat Springs, Sterling. CONNECTICUT: Greenwich, Lakeville. D.C.: Washington. FLORIDA: Daytona Beach, Key Largo, Key West, LeCanto, Miami, New Port Richey, Opa Locka, Titusville. GEORGIA: Athens, Carrollton, Columbus, Eastman, Fitzgerald, Hazelhurst, McRae, Sandersville, Swainsboro, Thomasville, Toccoa, Valdosta, Vidalia. IOWA: Dubuque. IDAHO: Burley, Idaho Falls, Lewiston, Pocatello, Rathdrum, Rexburg, Salmon. ILLINOIS: Alton, Bloomington, Cahokia, Carbondale, Carlyle, Carterville, Chanute Air Force Base, Charleston, Chicago, Chicago Heights, Dixon, East St. Louis, Glen Ellyn, Iroquois, Macomb, Marion, Mattoon, McHenry, Morris, Mount Prospect, Rock Island, Skokie. INDIANA: Alexandria, Attica, Bloomington, Boonville, Elwood, Franklin, Gary, Greencastle, Greenfield, Greensburg, Griffith, Hartford City, Jasper, Lebanon, Linton, Martinsville, Mount Vernon, New Castle, Princeton, Richmond, Salem, Sullivan, Winchester. KANSAS: Arkansas City, Augusta, Coffeyville, Derby, Dodge City, El Dorado, Fredonia, Garden City, Hutchinson, Iola, Junction City, Manhattan, Newton, Ottawa, Overland Park, Peabody, Pratt, Rose Hill, Salina, Topeka, Winfield. KENTUCKY: Dawson Springs, Henderson, Pineville, Providence and Winchester. LOUISIANA: Denham Springs, Gonzales, Lake Charles. MARYLAND: Cumberland, Elkton. MASSACHUSETTS: Nantucket, South Yarmouth, Waltham. MICHIGAN: Adrian, Alpena, Battle Creek, Calumet, Charlevoix, Cheboygan, Muskegon, Niles, Ontonagon, Petosky, Saginaw, South Haven, St. Joseph, Calumet, Escanaba, Iron Mountain, Ironwood, Marquette, Nequanee, Sault Ste. Marie, Walled Lake. MINNESOTA: Aitkin, Albert Lea, Alexandria, Austin, Blue Earth, Brainerd, Crookston, Duluth, Ely, Faribault, Fergus Falls, International Falls, Little Falls, Moorhead, St. Cloud, Wadena. MISSOURI: Arnold, Atco, Cape Girardeau, Chesterfield, Clinton, Hannibal, Hazelwood, Jackson, Jefferson City, Kansas City, Knob Noster, Mexico, Moberly, Nevada, St. Charles, St. Louis. MONTANA: Anaconda, Belgrade, Billings, Bozeman, Broadus, Butte, Conrad, Deer Lodge, Dillon, Glasgow, Glendive, Great Falls, Havre, Helena, Lewistown, Livingston, Kalispell, Miles City, Missoula, Sidney, Wolf Point. NEBRASKA: Alliance, Grand Island, Hastings, Kearney, Kimball, Lexington, McCook, North Platte, Ogallala, Ravenna, Scottsbluff, Sidney. NEVADA: Battle Mountain, Carson City, Elko, Reno, Wells. NEW HAMPSHIRE: Newport, West Lebanon. NEW JERSEY: East Brunswick, Elizabeth, Gloucester, Hamilton Township, Montvale, Paterson, Ramapo, Spray Beach, Warren, Warwick, Wildwood. NEW MEXICO: Artesia, Carlsbad, Farmington, Hobbs, Raton. NEW YORK: Boonville, Buffalo, Port Ewen, Poughkeepsie, Rockland, Schenectady, West Nyack, White Plains. NORTH CAROLINA: Marion, Morgantown, Mount Airy. NORTH DAKOTA: Grand Forks, Minot, Williston. OHIO: Ashtabula, Bridgeport, Cincinnati, Columbiana, East Liverpool, Hamilton, Martins Ferry, Middleton, Minerva, Mingo Junction, Niles, Port Clinton, Ravenna, Steubenville, Zanesville. OKLAHOMA: Duncan, Enid, Grove, Henryetta, Marietta, McAlester, Muskogee, Okmulgee, Pawhuska, Purcell, Sallisaw. OREGON: Corvallis, Eugene, Lebanon, Newberg, Newport, Portland, Sweet Home, Waldport. PENNSYLVANIA: Albion, Ambridge, Apollo, Bala Cynwyd, Bedford, Boyertown, Carnegie, Carrolltown, Clarion, Coatesville, Columbia, Erie, Greensburg, Hamburg, Hazelton, Huntingdon Valley, Kane, Lebanon McKeesport, McKees Rocks, Monessen, Montgomery, Mt. Union, Phoenixville, Philipsburg, Pittsburgh, Pottstown,Red Lion, Ridgeway, Sellerville, Sewickley, Smethport, Somerset, State College, Towanda, Verona, Waynesburgh. SOUTH CAROLINA: Bennettsville, Columbia, Greenwood. SOUTH DAKOTA: Eureka, Milbank, Mitchell, Rapid City, Red-field, Sioux Falls, Tyndall. TENNESSEE: Manchester, Memphis, Shelbyville. TEXAS: Albany, Allen, Baytown, Beaumont, Beeville, Bishop, Breckenridge, Burkburnett, Clifton, Clute, Columbus, Corpus Christi, De Leon, Eastland, Flower Mound, Gainesville, Galveston, Gonzales, Gorman, Iowa Park, Liberty, Lockhart, Mart, Mathis, McKinney, Mineral Wells, Mt. Pleasant, Nederland, New Braunfels, Odem, Olney, Orange, Port Arthur, Refugio, Robstown, San Angelo, Sequin, Seymour, The Colony, Vernon, West, Wylie, Yoakum. UTAH: Aurora, Heber City, Kanab, Milford, Morgan, North Salt Lake, Ogden, Park City, Price, Provo, Redmond, Richfield, Salem, Salina, Salt Lake City, Smithfield, Wendover, West Valley City, Woods Cross. VIRGINIA: Chesapeake, Culpepper. VERMONT: St. Albans. WASHINGTON: Airway Heights, Anacortes, Arlington, Auburn, Bellevue, Bellingham, Bremerton, Burlington, Ferndale, Marysville, Olympia, Raymond, Seattle, Tacoma, Wenatchee. WEST VIRGINIA: Cameron, Logan, Moundsville, Parkersburg, Wellsburg, Weston, Wheeling. WISCONSIN: Ashland, Bloomer, Columbus, Cornell, Ladysmith, Madison, Richland Center, River County, Spooner, Tomah, Walworth. WYOMING: Buffalo, Cheyenne, Cody, Gillette, Greybull, Lander, Laramie, Newcastle, Powell, Rawlins, Riverton, Thermopolis, Warren, Worland.
Other media operations
TCI is part owner in a host of cable systems; services including 50% in Taft/TCI, 23.4% in United Cable, 50% in American Movie Classics and Cable Value Network.

RANK **29**

Thomson Newspapers

Toronto

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	412.0	378.0	9.0
Total sales	746.0	691.0	8.0
Net income	145.0	127.0	14.2
Sales by media	**1986**	**1985**	**% chg**
Newspaper	412.0	378.0	9.0
Magazine	—	—	—
Broadcast	—	—	—
Cable	—	—	—
Other	—	—	—

Thomson Newspapers increased sales from U.S. media holdings 9% to $412 million in 1986. Still, the gain is minimal compared with the 26.8% increase of fiscal 1985.

The increase in sales cooled off on a year-to-year basis because Thomson bought fewer newspapers according to James Cole, a media analyst at McCarthy Securities Ltd. in Toronto. "They didn't make acquisitions to the same extent last year primarily because of the prices being high," he says.

However, in the first quarter 1987, Thomson acquired a Minnesota daily and reached an agreement in April to purchase the daily newspaper publishing interests of Clay Communications, including full ownership of three papers and half ownership in another.

Overall fiscal revenue increased 8% to $746 million for the year, with U.S. operations comprising 55% of the total.

In the first quarter 1987, net income of $32.9 million was 13.8% more than the prior year period. U.S. newspaper profits were lower, however, than in the last quarter 1986, although that is expected to pick up through the year, says the company. Overall revenues for the quarter increased 4% to $177.9 million.

A major reason behind Thomson's expansion is its overall financial position: At year end, Thomson's cash and short-term investments equaled $49 million and total debt was only $13 million. "They're debt free at the end of 1986," says Mr. Cole. "This is a company with over C$1 billion and earnings over C$200 million annually. Debt is not a problem with them."

U.S. dollar figures for this profile were converted from Canadian currency at the rate of C$1=$0.7244. The same rate was applied to 1985 figures for comparison. The Canadian dollar rose 1% against the American dollar during the fiscal year ending Dec. 31, 1986.

During 1987, acquisitions have continued with the acquisition in February of the *Worthington* (Minn.) *Daily Globe*, followed by the deal that is pending with Clay that will bring to Thomson papers with combined circulation of 118,000. The papers are the *Register/Herald* of Beckley, W. Va., *Shelby* (N.C.) *Star*, *Enquirer-Journal* in Monroe, N.C., and half interest in the joint venture that publishes the evening *Charleston* (W. Va.) *Daily Mail*, the morning *Charleston Gazette*, and *Sunday Gazette-Mail*.

Thomson under the joint venture will have editorial responsibility for the *Charleston Daily Mail*.

In Canada, media sales increased to $334 million last year, up 6.4% from 1985. Companies headquartered outside the U.S. are ranked in this issue by their U.S. revenues only.

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MEDIA PROPERTIES
Newspapers

ALABAMA: *Dothan Eagle*, *Enterprise Ledger*, *Opelika-Auburn News*. ARKANSAS: *Northwest Arkansas Times* (Fayetteville). CALIFORNIA: *Barstow Desert Dispatch*, *Eureka Times-Standard*, *Oxnard Press-Courier*, *San Gabriel Valley Tribune* (West Covina), *Siskiyou Daily News* (Yreka), *Whittier Daily News*. CONNECTICUT: *Ansonia Evening Sentinel*. FLORIDA: *Clay Today* (Orange Park), *Jackson County Floridian* (Marianna), *Charlotte Herald-News* (Punta Gorda), *Key West Citizen*. GEORGIA: *Americus Times-Recorder*, *Cordele Dispatch*, *Dalton Daily Citizen-News*, *Griffin Daily News*, *Thomasville Times-Enterprise*, *Tifton Gazette*, *Valdosta Daily Times*. ILLINOIS: *Jacksonville Journal Courier*, *Mount Vernon Register-News*, *Sterling-Rock Falls Daily Gazette*. INDIANA: *Kokomo Tribune*, *New Albany Tribune*, *Vidette-Messenger* (Valparaiso). IOWA: *Council Bluffs Nonpariel*, *Oelwein Daily Register*. KANSAS: *Atchison Daily Globe*, *Leavenworth Times*. KENTUCKY: *Corbin Times-Tribune*, *Richmond Register*. LOUISIANA: *Lafayette Daily Advertiser*. MARYLAND: *Salisbury Daily Times*, *Cumberland News/Evening Times*. MASSACHUSETTS: *Fitchburg Daily Sentinel & Enterprise*, *Taunton Daily Gazette*. MICHIGAN: *Benton Harbor Herald-Palladium*, *Adrian Daily Telegram*, *Escanaba Daily Press*, *Houghton Daily Mining Gazette*, *Iron Mountain Daily News*, *Marquette Mining Journal*. MINNESOTA: *Albert Lea Evening Tribune*, *Austin Daily Herald*, *Daily Journal* (Fergus Falls), *Worthington Daily Globe*. MISSISSIPPI: *Laurel Leader-Call*. MISSOURI: *Carthage Press*, *Sedalia Democrat*, *Sikeston Daily Standard*, *Mexico Ledger*. NEW HAMPSHIRE: *Portsmouth Herald*. NEW YORK: *Herkimer Evening Telegram*, *Newburgh Evening News*, *Oswego Palladium-Times*. NORTH CAROLINA: *Daily Advance* (Elizabeth City), *Rocky Mount Evening Telegram*, *Shelby Star* (pending), *Enquirer-Journal*, in Monroe (pending). NORTH DAKOTA: *Dickinson Press*. OHIO: *Canton Repository*, *Coshocton Tribune*, *East Liverpool Evening Review*, *Greenville Daily Advocate*, *Lancaster Eagle-Gazette*, *Marion Star*, *Middletown Journal*, *Newark Advocate*, *Piqua Daily Call*, *Portsmouth Times*, *Salem News*, *Steubenville Herald-Star*, *Xenia Daily Gazette*, *Zanesville Times Recorder*. OKLAHOMA: *Ada Evening News*. PENNSYLVANIA: *Altoona Mirror*, *Connellsville Daily Courier*, *Easton Express*, *Greenville Record-Argus*, *Hanover Evening Sun*, *Kittanning Leader-Times*, *Lock Haven Express*, *Meadville Tribune*, *Monessen Valley Independent*, *News Item* (Shamokin-Mount Carmel), *Lebanon Daily News*. SOUTH CAROLINA: *Florence Morning News*. SOUTH DAKOTA: *Mitchell Daily Republic*. UTAH: *St. George Daily Spectrum*. VIRGINIA: *Petersburg Progress-Index*. WEST VIRGINIA: *Fairmont Times-West Virginian*, *Weirton Daily Times*, *Charleston Daily Mail* (pending), *Beckley Register-Herald* (pending). WISCONSIN: *Fond du Lac Reporter*, *Manitowoc Herald-Times Reporter*, *Appleton Post-Crescent*, *Waukesha Freeman*, *Wisconsin Rapids Daily Tribune*.

Newspapers (non-dailies)

FLORIDA: *Englewood Herald*. ILLINOIS: *McLeansboro Times-Leader*. OHIO: *Franklin Chronicle*. WISCONSIN: *West Bend News*.

RANK **3**

Time Inc.

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	3,099.0	2,852.0	8.7
Total sales	3,762.0	3,404.0	10.5
Net income	376.0	200.0	88.0
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	1,576.0	1,482.0	6.3
Broadcast	—	—	—
Cable	1,523.0	1,370.0	11.2
Other	—	—	—

Time Inc. continued to concentrate on cutting costs and developing new areas of growth during 1986. Several new magazine ventures were abandoned and business lines were streamlined through acquisition and divestiture. In addition to more narrowly focusing its magazines, Time expanded its publishing arm with the December acquisition of Scott Foresman Cos., a major educational book publisher, for $520 million.

Time posted a 10.5% increase in total revenue to $3.8 billion and an increase of 88% in net income, the latter a reflection of a pretax gain on the sale of 20% of its cable subsidiary, American Television & Communications. Gains were offset by charges resulting from staff reductions and other management restructuring. The company estimates that staff reductions in 1986 saved Time $75 million. More layoffs are expected in 1987.

The magazine division posted a 6% gain in total revenue but an 8% decline in operating revenue, to $162 million in 1986. This is attributed to a $32 million charge to cover staff reductions and other expenses resulting from the closing in late 1986 of *Picture Week*, after 15 months on the market.

Like other newsweeklies, Time Inc.'s lead magazine, *Time*, was hurt by the weak advertising market. It suffered a 4.2% decline in ad pages for the year to 2,582, which with higher rates translated into gross ad revenues of $344.8 million, down only 0.5%. Despite *Time*'s off year, the company reported an overall 3% rise in ad revenues and 10% in circulation revenue, both largely the result of higher prices. *Time* maintained the lion's share of company's consumer magazine ad revenue, estimated at 22.6%.

Magazine revenue gains also were linked to strong sales of *Life*, which celebrated its 50th anniversary, and a full year's contribution from the Southern Progress magazines acquired in 1985. *Life* had a 1% growth in pages to 779, but a 22.2% growth in ad revenues to $48.7 million, according to Publishers Information Bureau.

Time reclassified its video business, separating its pay TV programming from its cable systems. The programming division, consisting of two pay-TV services—HBO and Cinemax—reported an 8% decline in operating income because of higher costs, on revenues that rose 11% because of higher rates and increased subscribers; HBO has more than 15 million subscribers, and Cinemax about 4.1 million.

Time's cable TV division, which is comprised of ATC and Manhattan Cable Television, registered increases of 9% in revenue and 22% in operating income. ATC's basic subscriber count rose 700,000 to 3.4 million. Subscribers to pay TV grew 500,000 to 2.8 million. Continued revenue growth from cable seems assured in 1987 because of higher rates permitted in the newly deregulated environment. Time's ATC bought 13% of Group W Cable in 1986 and joined a consortium of cable operators in investing $562.5 million in Turner Broadcasting Systems.

In addition to its magazine and video operations, Time's books and information services division reported a 20% rise in revenue and 9% drop in operating income. Returns were affected primarily by increases in book sales and the acquisition of Burke Marketing Services, which was merged with Time's own market research unit, SAMI. Thus far, the merger has not been as successful as hoped. Burke is reportedly up for sale.

Major shifts in management took place in July when Time named Nicholas J. Nicholas Jr. the new president and chief operating officer. Mr. Nicholas had been head of Time's video business. As he stepped into Richard Munro's spot as president, Mr. Munro, still CEO, became chairman, replacing Ralph P. Davidson, who was appointed executive committee chairman.

In May 1987, Time announced the sale of *Discover* to Family Media Inc. for $26 million. Time gained a foothold in the women's market through a joint venture with Working Woman/McCall's Inc. Through this arrangement, it has acquired a 50% interest in *McCall's*, *Working Mother* and *Working Woman*.

Time announced an 8% drop in net income to $46 million, while total revenue increased 7.4% to $939 million. Cost saving measures at the magazine group helped increase operating profits 64% to $59 million in the period. Operating profit at HBO fell 7.7% to $36 million because of the absence of a one-time gain in 1986. Operating profits at ATC rose 31% to $37.8 million.

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Nicholas J. Nicholas Jr., president-coo
Reginald K. Brack Jr., exec VP, president & ceo-magazines
Trygve E. Myhren, chmn-ceo, American Television and Communications Corp.
Michael J. Fuchs, chmn-ceo, Home Box Office

MEDIA PROPERTIES
Cable/video

CHANNELS: Cinemax, Home Box Office.
SYSTEMS: American Television & Communications Corp. (82% ownership), Manhattan Cable Television.

Magazines

Asiaweek (84% ownership), *Cooking Light*, *Creative Ideas for Living*, *Fortune*, *Life*, *McCall's* (50% ownership), *Money*, *Parenting* (49% ownership), *People*, *Progressive Farmer*, *Southern Accents*, *Southern Living*, *Sports Illustrated*, *Time*, *Working Woman* (50% ownership), *Working Mother* (50% ownership).

OTHER OPERATIONS

Book-of-the Month Club, Little Brown & Co., Oxmoor House, Scott, Foresman & Co., SAMI/Burke, Time-Life Books, Time-Life Video.

Papers knock heads

The *Minneapolis Star & Tribune* and *St. Petersburg Times* have planted bureaus in neighboring cities of St. Paul and Tampa, respectively, to claim new markets.

RANK **6**

Times Mirror Co.

Los Angeles

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	2,245.0	2,172.0	3.4
Total sales	2,948.0	2,959.0	(0.4)
Net income	408.0	237.0	72.2
Sales by media	**1986**	**1985**	**% chg**
Newspaper	1,727.0	1,620.0	6.6
Magazine	148.0	144.0	2.8
Broadcast	127.0	129.0	(1.6)
Cable	243.0	279.0	(12.9)
Other	—	—	—

Times Mirror Co. conducted an extensive buying and selling campaign in 1986 that marks the completion of a restructuring process begun in 1984.

The Los Angeles-based company paid $600 million for A.S. Abell Co., owner of Baltimore *Sun* newspapers, added *Broadcasting* and the *National Journal* to its magazine holdings for $75 million and $10 million, respectively, and sold the struggling *Dallas Times Herald* for $110 million. It also disposed of five TV stations, including two acquired as part of the Abell purchase, cable interests in Las Vegas, and a number of non-media holdings.

After divesting $1 billion in assets during the three-year restructuring period and spending $750 million on acquisitions, Times Mirror now concentrates its resources in three core businesses—print media, electronic media, and information-based, professional publishing.

Dispositions in 1986 contributed to record earnings of $408 million, 72.2% higher than 1985. Earnings also were favorably affected by a change in the method of accounting for pensions. Operating revenues were down 0.3%, a drop attributed to loss of revenue from the divested properties. In the first quarter of 1987, a leaner Times Mirror reported a 35% growth in earnings, to $58.2 million, and a 3% growth in revenues, to $715.8 million, over first quarter 1986.

With the restructuring completed, Times Mirror plans to dedicate a major share of future resources to capital expenditures, particularly in its newspaper operations. Newspapers accounted for 58.6% of total revenues in 1986 and generated operating profits of $330.9 million, an 18% increase over 1985, primarily due to higher rates.

Times Mirror is embarking on a five-year, $385 million capital investment in a new plant and facilities for the *Los Angeles Times*. The company also will expand press facilities at the *Sun* papers, modernize the *Hartford Courant* and *Denver Post*, and increase production capacity at the burgeoning New York City edition of *Newsday*.

Launched two years ago, *New York City Newsday* has gone from a circulation of 40,000 in 1985 to 133,000 in spring 1987. Long Island-based *Newsday*'s circulation for all editions is 624,291 evenings and 680,618 Sunday, according to ABC FAS-FAX reports for March 31, 1987.

The *Baltimore Sun* has been pursuing suburban readers and last year debuted *O.C.* (Ocean City), a section targeting summer vacationers on Maryland's eastern shore. The section, published 26 times a year, averaged 38 pages and 1,250 ad inches, a total expected to hit 1,650 this year. The closing last year of Hearst's *Baltimore News-American* has stimulated the *Sun*'s circulation. Combined daily circulation grew 15% to 410,638 on March 31, 1987, compared to the prior year, while Sunday circulation grew 14.5% to 489,771, according to ABC FAS-FAX reports.

The *Los Angeles Times* debuted *Los Angeles Times Magazine* Sunday magazine in October 1985. A *Times* executive says the glossy magazine has done what the company wanted it to do—attract national advertisers. It now runs a minimum of 52 pages advertising, 56% national.

The *Times*' daily circulation increased 2.7% in 1986, to 1,117,952, accord to ABC FAS-FAX reports for March 31, 1987, compared with the same period in 1986. Although the undisputed leader in Los Angeles, it continues to encounter significant competition in other parts of the Southern California market, particularly Orange County.

In the beginning of 1986, Times Mirror tried to bolster the *Dallas Times Herald* by bringing in Shelby Coffey III as editor and introducing new sections and technology. But in June 1986 the company sold the paper to Media News Group.

The company's book, magazine and other publishing segments ended 1986 with a 14% increase in revenues and operating profits and several important new properties. Times Mirror gained the *National Journal* in May and *Broadcasting* in December.

Broadcasting is seen as the nucleus of a trade-publishing cluster, which Times Mirror has stated is a significant strategic objective. This fall the company will introduce *Sports Inc.*, *The Sports Business Weekly*.

In 1986, Times Mirror sold WSTM-TV (Syracuse), WHTM-TV (Harrisburg, Pa.), and WETM-TV (Elmira, N.Y.) for a total of $79 million. A 1.6% decrease in broadcast TV revenues reflected the absence of these stations and soft national advertising. However, higher revenues at the company's four remaining broadcast properties resulted in a 10% rise in operating profits. WMAR-TV in Baltimore and WRLJ-TV in Richmond, Va., were sold for over $200 million two days after they were acquired from Abell.

On Jan. 1, 1987, David Laventhol became president of Times Mirror. He succeeded Robert F. Erburu, who continued as chairman-ceo.

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John J. McCrory, vp, president-Times Mirror Broadcasting
Larry W. Wangberg, vp, chmn-Times Mirror Cable Television

MEDIA PROPERTIES

Broadcasting

TV: KDFW-TV, Dallas; KTBC-TV, Austin, Texas; KTVI-TV, St. Louis; WVTM-TV, Birmingham, Ala.

Cable/video

SYSTEMS: ARIZONA: Bullhead City, Casa Grande, Lake Havasu, Nogales, Phoenix. CALIFORNIA: Orange County, Palos Verdes, North San Diego County. CONNECTICUT: Meriden. ILLINOIS: Springfield. INDIANA: Lafayette. KENTUCKY: Ashland. MASSACHUSETTS: Amherst, Greenfield, Palmer, Haverhill, Weymouth. NEW YORK: Long Island. OHIO: Caldwell, Cambridge, Coshocton, Defiance, Greenfield, Ironton, Logan, Marion, Napoleon,Newark, Newcomerston, New Philadelphia/Urichsville, Toronto, Waverly, Wauseon. PENNSYLVANIA: Beaver Falls, Washington. RHODE ISLAND: Providence, Warwick. TEXAS: Del Rio, Kerrville, Midland, Texarkana, Uvalde. WEST VIRGINIA: Weirton.

Magazines

Broadcasting, Golf, Government Executive, National Journal, Outdoor Life, Popular Science, Ski, Ski Business, Sporting Goods Dealer, Sporting News.

Newspapers

CALIFORNIA: *Los Angeles Times*. COLORADO: *Denver Post*. CONNECTICUT: *Greenwich Time, Hartford Courant, Stamford Advocate*. MARYLAND: *Baltimore Sun & Evening Sun, Sunday Sun*, (Baltimore). PENNSYLVANIA: *Morning Call*, (Allentown). NEW YORK: *Newsday, New York Newsday*.

Other media operations

Times Mirror Broadcasting (Greenwich, Conn.); Million Market Newspapers/Times Mirror National Marketing.

OTHER OPERATIONS

Matthew Bender & Co. (publishing), C.V. Mosby Company (publishing), Year Book Medical Publishers, Learning International, (professional training), Jeppesen Sanderson (flight navigation information), Harry N. Abrams, Inc. (publishing), CRC Press (publishing), Mirror Systems (software and videodiscs), Times Mirror Press, Times Mirror Land and Timber Company.

RANK **21**

Triangle Publications

Radnor, Pa.

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	730.0	720.0	1.4
Total sales	730.0	720.0	1.4
Net income	N/A	N/A	N/A
Sales by media	**1986**	**1985**	**% chg**
Newspaper	77.0	72.0	6.9
Magazine	653.0	648.0	0.8
Broadcast	—	—	—
Cable	—	—	—
Other	—	—	—

Triangle Publications is getting good results in redirecting the circulation thrust of its newest publication, *Good Food*, from newsstand to mainly subscription. The Radnor, Pa.-based publisher controlled by chairman, Walter Annenberg, was forced to alter distribution of *Good Food* when its first several issues since February 1986 averaged only 375,000 in circulation, far below the 750,000 guaranteed rate base.

The main thrust of the circulation move was the acquisition and then the discontinuation of *Great Foods*, a 600,000-circulation magazine based in Englewood Cliffs, N.J. The two lists were merged beginning with the July issue for a base of around 900,000.

Ultimately, Triangle expects the magazine's distribution to be two-thirds subscription and one-third newsstand, says Frank Wolf, group publisher of Triangle Communications, the subsidiary which publishes *Good Food* and *Seventeen*. Ad contribution is nominal at this point—$1,144,735 from 100 pages in its first 11 issues.

Seventeen's 4.2% decline in ad pages was attributed by Mr. Wolf to "general softness in the magazine business during 1986." Gross ad revenue increased by 3.5% to $35.4 million, according to PIB. However, circulation grew 5.8% to 1,853,314, for six months ending Dec. 31, 1986, compared to the prior year period, according to ABC.

Triangle's dominant publication, *TV Guide*, showed a gross ad revenue increase of 1.3% to $318.1 million in 1986, while pages declined by 2.8% to 3,566—a decline linked to the dramatic changes affecting the tv networks, from economics to ownership, and reduced cigarette advertising. *TV Guide* will boost rates 4%, effective July 4, bringing the full-page color rate to $99,750.

Circulation at *Daily Racing Form* had an overall 1.4% increase. The largest gain coming from the Saturday circulation, up 2.4% to an average of 188,486 for three-month figures ending June 30, according to ABC.

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(213) 387-5131
Corporate Personnel
Michael P. Sandler, publisher

MEDIA PROPERTIES

Magazines

Good Food, Seventeen, TV Guide.

Newspaper

Daily Racing Form.

RANK **10**

Tribune Co.

Chicago

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,775.7	1,684.0	5.4
Total sales	2,029.8	1,938.0	1.7
Net income	292.9	123.8	13.5
Sales by media	**1986**	**1985**	**% chg**
Newspaper	1,363.7	1,358.0	0.4
Magazine	—	—	—
Broadcast	412.0	273.0	50.9
Cable	—	53.0	—
Other	—	—	—

Tribune Co., Chicago, spent the better part of 1986 digesting two recent acquisitions—the record-breaking $510 million 1985 buy of Los Angeles' KTLA-TV, and *Daily Press* of Newport News, Va.—and divesting its remaining cable systems.

When the company bought *Daily Press* for $200 million last year, it immediately put the *Daily Press*' two Virginia cable systems on the block and got $100 million back for them. And Tribune completed separate sales of 15 cable systems it owned before the Daily Press purchase for an aggregate of $450 million that brought an after-tax gain of $88 million in 1986.

Tribune Co., whose media revenues grew to $1.81 billion, up 4.7% from the prior year, had operating profits of $281.3 million, up a record 17%, while net income grew 136% to $292.9 million, a gain that continued into the first quarter of 1987 when the company reported a more than sixfold increase in net income, to $106.9 million, due mainly to a one-time gain from the sale of the *Los Angeles Daily News* to Cooke Media Group. That sale was required by FCC rules after Tribune's purchase of KTLA. Excluding the gain, the company had net income of $18.3 million, still up 10.6%. Revenues for the period rose 0.9% to $453.5 million.

In newspaper publishing, which accounted for 67% of total operating revenues last year, ad revenues rose a modest 1.2%, to $983.7 million, while circulation revenue grew 3.8%, to $311.4 million. The *Chicago Tribune* accounted for 36% of newspaper revenues, and the *New York Daily News* represented another 30%.

High labor costs continue to hinder the company's two largest dailies, although the *Tribune* is profitable. The *Daily News*, in the midst of negotiations for renewed labor contracts, lost $11 million in ad business over the past year from consolidations by New York-area retailers. It also has faced increasing competition from Times Mirror Co.'s *Newsday*, which has made gains in Manhattan via a *New York Newsday* edition.

The broadcasting and entertainment division, which includes the company's TV and radio stations, programming arm and the Cubs baseball team, reported a 21% increase in operating revenues, to $466.2 million, and a 9.3% gain in profits, to $65.5 million. Excluding the Cubs, the unit had estimated revenues of $442.9 million.

Facing a glut of syndicated programming projects, Tribune has scaled back its development to two new series this fall. Currently, the company co-produces 10 weekly TV series.

TRIBUNE CO.
435 N. Michigan Ave.
Chicago, IL 60611
(312) 222-3232
Corporate Personnel
Stanton R. Cook, president-ceo
James C. Dowdle, president, Tribune Broadcast Co.

MEDIA PROPERTIES

Broadcasting

TV: KWGN-TV, Denver; KTLA, Los Angeles; WGN-TV, Chicago; WGNO-TV, New Orleans; WGNX, Atlanta; WPIX-TV, New York.
RADIO: KGNR-AM, KCTC-AM, Sacramento, Cal.; WGN-AM, Chicago; WICC-AM, Bridgeport, Conn; WPIX-FM, New York.

Newspapers

CALIFORNIA: *Times-Advocate* (Escondido), *Peninsula Times Tribune* (Palo Alto). FLORIDA: *Fort Lauderdale News & Sun-Sentinel, Orlando Sentinel*. ILLINOIS: Chicago Tribune. NEW YORK: *Daily News* (New York). VIRGINIA: *Daily Press, Times Herald, Newport News*.

Newspapers (non-dailies)

Tribune Community Publications.

Other media operations

Independent Network News, Tribune Entertainment.

OTHER OPERATIONS

Chicago Cubs, Tribune Media Services, Orlando, Fla., and various newsprint operations.

RANK **36**

Turner Broadcasting System

Atlanta

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	379.4	316.3	20.0
Total sales	570.4	362.7	57.3
Net income	(200.0)	1.0	(20,100)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	207.6	189.7	9.5
Cable	171.8	126.6	35.7
Other	—	—	—

Actual yearend 1986 results at Turner Broadcasting Systems, Atlanta, were forecast internally almost to the dollar, says the company, which must have been a hard forecast for founder Ted Turner to swallow because by yearend, TBS had lost $187.3 million.

The year was a wash financially for Mr. Turner. This June, he sold a 36% stake in the company for $562.5 million to a consortium of 31 investing units, thus paring his holdings to about 50%. Proceeds were used to retire massive debts TBS piled up in last year's buyout of MGM/UA Entertainment.

After failing in its 1985 attempt to acquire CBS Inc., Turner in March 1986 bought MGM/UA with intent to sell off all but the film library to retire the debt incurred through the issuance of preferred stock. But by mid-May 52.6 million of the preferred stock was still outstanding requiring continuous dividend payments. Faced with the prospect of having to issue common stock to raise money to pay the dividend, Turner concocted the plan to sell off part of itself. Under the plan, the participating MSOs will get seven seats on the board, newly expanded to 15.

Joining the huge debt left over from the MGM/UA acquisition as a leaven-ing agent on financial returns were $26 million in losses from the Turner-sponsored, Olympic-style Goodwill Games held in Moscow last summer. Undaunted, Turner plans another round of Goodwill Games in Seattle during in 1990. But this time, there will be more advanced planning.

Despite its heavy losses, TBS continues to survive through strong cash flow from its base cable TV business. WTBS, the Turner "Superstation," continues to be the top-rated basic cable network with a composite 1986 Nielsen rating of 2.1, which translates into 654,000 households nationwide. About 93% of the cable households and about 45% of total U.S. TV homes receive WTBS. WTBS generated ad revenues of $185.3 million, up 7.2% in 1986 over the prior year.

Cable News Network and CNN Headline News combined were rated a composite second in the 1986 Nielsen cable ratings for basic cable services with an 0.9 rating, representing 326,000 cable homes. Together, the Cable News Network and CNN Headline News generated $91.2 million in revenue, up 30%, most of that coming from Cable News Network ($73.1 million, up 29.4%).

Aside from its film library and cable TV operations, TBS owns the Atlanta Braves and Atlanta Hawks.

Turner also produces original programming—the occasional Jacques Cousteau specials and a continuing series profiling all 50 states hosted by Hal Holbrook. Some of CNN's original programming also is sold to local stations.

Mr. Turner has said he would like to start yet another cable network using the MGM film library as the base programming. But it still is uncertain what impact the buy-in by cable operators will have on TBS. The refinancing "provides a recapitalization and that will give them [Turner] a more stable equity base," says Lee D. Wilder, first VP, Robinson-Humphrey Co. "It also puts a few more chefs in the kitchen." Ms. Wilder predicts a $6 per share loss this year "and I don't expect to see reported earnings for several more years."

TURNER BROADCASTING SYSTEMS
1050 Techwood Drive N.W.
Atlanta, Ga. 30318
(404) 827-1500
Corporate Personnel
R.E. (Ted) Turner, chmn & president

MEDIA PROPERTIES

Broadcasting

TV: WTBS, Atlanta.
RADIO: CNN Radio.

Cable/video

CHANNELS: Cable News Network, CNN Headline News, WTBS superstation services.

Other media operations

MGM film library, Turner Program Services.

OTHER OPERATIONS

Atlanta Braves; Atlanta Hawks basketball team (96% interest).

RANK **18**

Viacom International

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	855.0	376.0	127.4
Total sales	919.0	444.0	107.0
Net income	(9.9)	37.0	(126.6)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	111.3	83.5	33.3
Cable	743.7	292.5	154.3
Other	—	—	—

After defending itself from takeover by financier Carl Icahn in early 1986, Viacom International rejected an offer from management in bowing to a bid of $3.4 billion from National Amusements.

The deal, subject to governmental approval, merges this broadcast and entertainment company that produces and syndicates "The Cosby Show" with one of the country's largest movie theater owners. National is owned by its president, Sumner M. Redstone.

Viacom in 1986 had revenues of $919.2 million, up from $444.1 million in 1985. The dramatic increase was largely because of a full year's ownership of Showtime/The Movie Channel and MTV Networks. In November 1985, Viacom bought the 50% it did not already own in Showtime/TMC and the 66% it did not already own in MTV. Seller in both cases was Warner Communications. Viacom reported a loss of $9.9 million compared with a gain of $37 million in 1985. The net loss reflected the costs of about $30.1 million related to repurchase of stock from Icahn Group.

First quarter 1987 saw a loss of $45.8 million from a gain of $4.2 million in the prior year period as revenues increased 10.3% to $234.2 million. The loss was because of expenses incurred when it terminated a merger agreement with MCV Holdings, the management-led buyout group.

Viacom Broadcast Group's earnings from operations rose 51% in the first quarter of this year. Earnings from operations would have been only 9% higher excluding the results from the May 1986 acquisition of KMOV-TV, St. Louis (formerly KMOX-TV) from CBS for about $122 million.

In the quarter, the Networks Group, comprised of Showtime/TMC, MTV Networks (MTV, VH-1 and Nickelodeon) and 33% of Lifetime, experienced a decline in earnings from operations of 27%, compared with the year earlier, S/TMC's poor performance was responsible for the drop.

Showtime/TMC, with a little over 8 million subscribers and a pay cable market share of about 29%, runs a distant second to HBO. At the end of 1986 Neil Austrian left his post as Showtime/TMC's president-ceo because it lost its independence when it moved from part to full-ownership.

Viacom was among 31 investing units that bought 36% of Turner Broadcasting Systems this June.

VIACOM INTERNATIONAL
1211 Avenue of the Americas
New York, N.Y. 10036
(212) 575-5175
Corporate Personnel
Ralph M. Baruch, chmn
Paul M. Hughes, president, broadcast group
Kenneth F. Gorman, chmn, networks group
Jules Haimovitz, president, networks group

Viacom Cable
5924 Stoneridge Drive
P.O. Box 13
Pleasanton, Calif. 94566
(415) 828-8510
Corporate Personnel
John W. Goddard, sr vp, president -cable tv div

MEDIA PROPERTIES

Broadcasting

TV: KSLA, Shreveport, La.; WVIT, New Britain/Hartford/New Haven/Waterbury, Conn.; WHEC, Rochester, N.Y.; WNYT, Albany/Troy/Schenectady, N.Y.; KMOV-TV, St. Louis.
RADIO: KIKK, Pasadena, Texas; KIKK-FM, Houston; WMZQ-FM, Washington; WMZA, Arlington, Va.; KNBQ-FM, Tacoma, Wash.; WLAK-FM, Chicago; WLTW-FM, New York; WRVR (AM, FM), Memphis.

Cable/video

CHANNELS: Viacom Networks: Showtime/The Movie Channel, MTV Networks, Lifetime (33%), Cable Health Network.
SYSTEMS: CALIFORNIA: San Francisco region; North Bay Region-Marin County, Sonoma County, Napa/Pinole; Diablo Region; East Bay, Castro Valley, Delta, Finer Living, Oroville. NEW YORK: Long Island. OHIO: Cleveland and Dayton regions. TENNESSEE: Nashville region. WASHINGTON: Puget Sound, Tacoma, Salem. WISCONSIN: Milwaukee region.

OTHER OPERATIONS

Viacom Enterprises and Viacom Productions, Viacom World Wide, MGS Services and the licensing and merchandising division, Orion Pictures (15% interest), stake in Turner Broadcasting Systems.

Post ads show more blacks

Washington Post in September instituted a new real estate display ad policy that required advertisers to show blacks in at least 25% of their display ads. The policy came after a Washington legal group sued Realtors and agencies for not showing blacks in ads. Real estate display ads, which declined during 1986, are up the first half 1987.

RANK

Warner Communications 40

New York

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	360.0	331.0	8.8
Total sales	2,848.0	2,234.0	27.5
Net income	186.0	195.0	(4.6)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	35.0	35.0	0.0
Broadcast	325.0	296.0	9.8
Cable	—	—	—
Other	—	—	—

Warner Communications bought into theater operating companies to augment its filmed entertainment division (Warner Bros.) and gained full ownership of Warner Cable during 1986, a year in which its three leading divisions—cable and broadcasting, filmed entertainment, and recorded music—posted record profits. First quarter 1987 results were equally strong.

New York-based Warner's revenues rose 27% in 1986 to $2.8 billion. Net income dropped 5.1% to $185 million because of a gain in the prior year from the sale of its interest in MTV Networks and Showtime/The Movie channel to Viacom International.

First quarter 1987 revenues of $788 million represent a 14% increase from the first quarter 1986. Net income in the quarter rose 115% to $66 million largely because of strong growth in the recorded music and Warner Cable divisions.

Warner became one of the last entertainment companies to buy a theater chain, when in late 1986, it came to the rescue of financially troubled Cannon Group by exchanging $50 million for notes and stock in Cannon. Securities involved in the deal are convertible into 50% of Cannon's European theaters. For another $25 million in cash, Warner also acquired North American home video rights to 21 Cannon films.

In February, the company further moved into the theater operating business when it agreed to acquire 50% of Gulf & Western's domestic motion picture theater operation.

According to a spokesman, Warner most likely will issue stock to the public this year to reduce its risk in the venture.

During 1986, Warner's largest division, filmed entertainment, posted an 8.3% increase in revenues to $1.3 billion and a growth of 7.5% in operating income to $172.2 million. First quarter 1987 revenues of $342 million were up 1.5%, and operating income up 4.4% over first quarter 1986. Warner recently signed an agreement with Disney Studios for the foreign distribution rights to Disney's films. HBO signed a five-year deal, for about $125 million, for TV rights to Warner's films.

Last year was the first time Warner consolidated Warner Cable into its overall financial statements. The cable and broadcasting division had 1986 revenues of $325 million, up 9.8%, and operating income of $16.2 million, compared with a loss of $8.9 million in the prior year when Warner Cable was 50% owned and accounted for on an equity basis. Warner bought the other half from American Express for $450 million in February 1986. First quarter 1987 revenues grew 17.9% to $92 million as operating income rose 57% to $7.4 million.

Warner Cable, with slightly more than 1.3 million subscribers, is looking to rate increases to provide revenue growth and funds for upgrading of current systems.

WARNER COMMUNICATIONS
75 Rockefeller Plaza
New York, N.Y. 10019
(212) 484-8000
Corporate Personnel
Robert A. Daly, chmn-ceo
Warner Cable Communications
425 Metro Place, Ste. 500
Dublin, Ohio 43017
(614) 766-2021

Corporate Personnel
James L. Gray, president
Mad Magazine
485 Madison Ave.
New York, N.Y. 10022
(212) 752-7685
Corporate Personnel
William M. Gaines, president
DC Comics
666 5th Ave., 8th Floor
New York, N.Y. 10103
(212) 484-2800
Corporate Personnel
Jenette Kahn, president, publisher

MEDIA PROPERTIES

Cable/video

SYSTEMS: Warner Cable Communications: ARIZONA: Flagstaff, Kingman, Parker, Sedona. ARKANSAS: Booneville, Clarksville, Fayetteville, Paris, Russellville. CALIFORNIA: Avenal, Bakersfield, Barstow, Blythe, Palm Springs, Taft. FLORIDA: Crestview, Fort Walton Beach, Lake City, Niceville. ILLINOIS: Altamont, Danville, DeKalb, Rochelle, St. Almo, Sycamore. INDIANA: Union City, Warsaw. MASSACHUSETTS: Athol, Chelsea, Dalton, Everett, Lynn, Pittsfield, Salem, Somerville, Swampscott, Wakefield, Winthrop. MICHIGAN: Menominee. MISSISSIPPI: Batesville, Cleveland, Lambert, Marks, Yazoo City. NEW HAMPSHIRE: Berglin, Claremont, Nashua. NEW JERSEY: Avalon. NEW YORK: New York (under construction), Olean. OHIO: Akron, Alliance, Canton, Cincinnati, Columbus, Cridersville, Delphos, Fort Shawnee, Kenton, Plain Township, Sandy, St. Mary's, Sidney, Wapakoneta, Youngstown. OREGON: Coos Bay, Myrtle Point. PENNSYLVANIA: Altoona, Bradford, Chambersburg, Clearfield, Marietta, Morrison Cove, Newport, Pottsville, Reedsville, Roaring Springs, Shippensburg, Warren. TENNESSEE: Kingsport. TEXAS: Houston (suburbs), Houston (NW & suburbs), Houston (SW & suburbs), Houston (Meyerland area). VERMONT: Bellows Falls, Brattleboro, Bristol (under contract to be sold). VIRGINIA: Hampton, Harrisonburg, Reston, Williamsburg, Poquoson, Reston, Williamsburg. WEST VIRGINIA: Martinsburg. WISCONSIN: Marinette, Marshfield, Menasha, Merrill, Milwaukee (under construction), Neenah, Oshkosh.

Magazines

DC Comics, *Mad, Mad Specials.*

OTHER OPERATIONS

BHC Inc., Chappell & Co. (pending), Gulf & Western domestic motion picture theater operation (50% interest), Warner Bros. (films), Warner Bros. Television, Warner Bros. Television Programming, Warner Bros. Television Syndication, Warner Bros. Television-East Coast, Warner Home Video, Licensing Company of America, Warner Bros. Records, Atlantic Records, Electra/Asylum/Nonesuch Records, WEA Corp., WEA Manufacturing, Warner Bros. Music, Warner Books, Warner Publisher Services, Warner Audio Publishing.

RANK

Washington Post Co. 14

Washington

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	1,162.0	1,037.0	12.1
Total sales	1,215.0	1,079.0	12.6
Net income	100.0	102.0	(2.0)
Sales by media	**1986**	**1985**	**% chg**
Newspaper	589.0	556.0	5.9
Magazine	321.0	326.0	(1.5)
Broadcast	167.0	155.0	7.7
Cable	85.0	—	—
Other	—	—	—

Washington Post Co.'s move last year into cable appears to be paying off. Revenues for the 53-system cable division purchased in January 1986 from Capital Cities/ABC for $350 million increased 17% in the first quarter of 1987, with greater increases predicted for the year.

Post Co. intends to invest $17 million in the cable systems this year, after investing $24 million into them in 1986. It also will continue to buy smaller cable systems and combine them into existing operations. The cable subscriber base rose 3% in 1986 to 369,000. Ad sales were launched in 19 of the 53 systems in 1986, and the Modesto, Calif., system is experimenting with pay-per-view.

The rejuvenation from cable comes as the Post's magazine division's mainstay, *Newsweek*, performed poorly in the past year, with revenue falling 2% to $320.9 million. While *Newsweek's* first quarter 1987 ad pages and revenue were flat, compared with the same period for 1986, the magazine will be slightly ahead in the second quarter, says Richard Simmons, Post Co. president-coo.

The *Washington Post* continues to be the company's major revenue producer. In the first quarter of 1987, the newspaper saw revenues increase 8%, with ad inches up 3% to 1.3 million. Ad rates increased 6% to 6.5% in January.

Last September, the *Post* introduced an expensive redesign of its Sunday magazine, now a glossy, smaller-sized insert.

For the first half of 1987, the magazine is ahead about 16% in ad pages over the same period in 1986, and ad revenues are up as well. However, the magazine is more costly to produce, and officials say it will take several years to become profitable. The magazine editorial has been controversial. Its first issue created a furor among blacks because of a cover story about a black man accused of murder. The *Post* has since appeased black readers by running more positive pieces about blacks.

The newspaper reorganized its sales force for the magazine and created a national sales force, including a new, six-person office in New York. The national team also sells ads for the four-year-old *Washington Post National Weekly*, which saw no growth last year in either ad pages or circulation, which remains at 50,000.

Overall, Post Co.'s advertising revenues increased 4% in 1986, even with *Newsweek's* 11% decline in ad pages. The *Washington Post's* ad revenues rose 6% to $454.3 million, while advertising volume rose 1.2% to 5.5 million inches.

The *Post's* circulation rose 2% daily and 2% Sunday to 796,659 and 1,112,802, respectively, for the six months ending March 31, 1987, compared with a year earlier, according to ABC. Penetration of the *Post* remains 54% of Washington households daily and 73% on Sunday.

To gain a stronger foothold in some newer suburban communities, the *Post* opened news bureaus in outlying areas to compete with the *Baltimore Sun* for residents living and working in the counties between the two cities.

The Post Co.'s other newspaper, the *Herald*, in Everett, Wash., had its second straight year in the black since 1980, with ad volume rising 12% to 2.2 million inches.

Newsweek remains Post Co.'s problem. Officials brag, however, that readership—a selling points to advertisers—rose 3% to 17.4 million. Newsstand sales rose 11% in 1986. But *Newsweek* has kept its rate base at 3.05 million. Rates in 1987 rose 2.5% for color, but stayed the same for B&W.

Christopher Little, former senior VP-director administration, last September became *Newsweek* president, replacing Mark Edmiston, who had held the post for five years before he was forced to resign.

This year *Newsweek* introduced *Newsweek on Health*, a quarterly 500,000 controlled circulation magazine, which was in test in 1986. At least half of the copies are distributed to doctors' waiting rooms.

In 1986 *Newsweek* ventured into several new foreign markets, but plans no new foreign ventures in 1987.

The Post Co.'s broadcast division revenue rose 8% to $167.1 million. The four stations continue to hold the top position in their markets, as of November 1986 rating. The stations' ad revenues are up about 6% in the first quarter of 1987, and will be up "significantly more" in the second quarter, says Mr. Simmons.

In its non-media holdings, Post Co. intends to sell its minority interests in cellular telephone ventures in Washington-Baltimore and Detroit Cellular Telephone Co. for about $50 million and has increased its ownership in the Miami-Ft. Lauderdale Cellular One Co. to 100% from 60%.

On June 18, 1987, The Washington Post Co. announced the sale of all its interest in SportsChannel to Cablevision Systems, Woodbury, N.Y., for $6 million after taxes.

WASHINGTON POST CO.
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Washington, D.C. 20071
(202) 334-6000
Corporate Personnel
Katherine Graham, chmn
Richard D. Simmons, president-coo
Donald E. Graham, publisher, *Washington Post*
Joel Chaseman, vp, president-Newsweek Stations
Newsweek
444 Madison Ave.
New York 10022
(212) 350-4000
Corporate Personnel
Christopher M. Little, president
Post-Newsweek Cable
2621 E. Camelback Rd., Ste. 150
Phoenix, Ariz. 85016
(602) 468-1177
Corporate Personnel
Howard E. Wall, vp, president-Post-Newsweek Cable
SportsChannel
150 Crossway Park Dr. W.
Woodbury, N.Y. 11797
(516) 496-1533
Corporate Personnel
Marc Lustgarten, president

MEDIA PROPERTIES

Broadcasting

TV: WDIV-TV, Detroit; WPLG-TV, Miami; WFSB-TV, Hartford, Conn.; WJXT-TV, Jacksonville, Fla.
SYSTEMS: Post-Newsweek Cable, Phoenix.

Magazines

Newsweek, Newsweek International, Newsweek Japan, Travel & Leisure/Asia.

Newspapers

DISTRICT OF COLUMBIA: *Washington Post*. WASHINGTON STATE: *Herald* (Everett).

Newspapers (non-dailies)

DISTRICT OF COLUMBIA: *Washington Post National Weekly.*

Other media operations

Washington Post Writers Group, Legi-Slate (electronic data publishing), Los Angeles Times-Washington Post News Service (50% owned), *International Herald Tribune* (33% owned), Cowles Media Co. (21% owned).

OTHER OPERATIONS

Robinson Terminal Warehouse Corp. (newsprint handling and storage), Bowater Mersey Paper Co. Ltd. (49% owned), Bear Island Paper Co. (33% owned), Bear Island Timberland Co. (33% owned), Miami-Ft. Lauderdale Cellular Operations, Stanley H. Kaplan Educational Centers.

RANK

Westinghouse Electric Corp. 20

Pittsburgh

($ in millions)

Corp. returns	1986	1985	% chg
Media sales	839.0	1,069.0	(21.5)
Total sales	10,730.0	10,700.0	0.3
Net income	732.0	605.0	21.0
Sales by media	**1986**	**1985**	**% chg**
Newspaper	—	—	—
Magazine	—	—	—
Broadcast	559.0	539.0	3.7
Cable	280.0	530.0	(47.2)
Other	—	—	—

Events at Westinghouse Electric Corp. in 1986 tended to swirl about Westinghouse Broadcasting Co., also known as Group W. The big revenue generator, Group W Cable, was sold at mid-year; Group W's exec VP took over from the group's chairman, who took early retirement this March; and the new leadership vowed to expand Group W, which lost out on two expected large acquisitions in 1986 and early 1987.

A diminished Group W reported revenues in 1986 of $839 million, down nearly 22% from 1985. Those numbers reflect the loss of six months of revenues from Group W Cable. Group operating profit was up more than 8%, rising to $149.9 million.

Group W, which accounted for only 7.8% of total Westinghouse revenues in 1986, became the center of attention May 1 when Group W's Chairman-CEO Daniel L. Ritchie relinquished his post to Exec VP Burton B. Staniar.

Mr. Ritchie reluctantly endorsed the sale of Group W Cable but denied that its sale had any effect on his decision. So far, Group W officials say, the transition has been a smooth one.

In late January 1987, Westinghouse pulled out of a deal in which it had agreed to buy KHJ-TV, Los Angeles for $310 million from RKO General. The FCC caught Westinghouse off guard when it recommended the sale be disallowed because of challenges to KHJ-TV license over the past decade by Fidelity Television. (Part of the Group W deal with RKO was to pay Fidelity $98 million of the $310 million to settle the challenge.) Westinghouse dropped its bid, citing the one-year delay in FCC ruling and that it was tying up needed corporate resources. The station since has been sold to Walt Disney Co.

Also, a radio merger deal between Westinghouse and National Broadcasting Co. collapsed in December 1986.

Charles R. Furlong, director of communications for Group W Radio, says Westinghouse lost interest in the merger because the finances would not have improved Westinghouse's earnings significantly enough.

Westinghouse remains "interested" in buying individual properties from NBC. Group W Radio is fastening its growth on acquisitions.

Overall, in 1986 Westinghouse posted consolidated revenues of $10.73 billion, up 0.3%, and profits of $732 million, down 1.3%, and was affected heavily by the gain of $651.2 million from the Group W Cable sale, and a $790 million loss from provisions in restructuring the company.

First quarter 1987 returns showed improvement, with earnings of $151.6 million, up 12.1%, although revenues dropped 9% to $2.32 billion.

Westinghouse in 1986 also bought KEZW-AM, Denver, and sold the Muzak music subsidiary.

WESTINGHOUSE ELECTRIC CORP.
Westinghouse Bldg.
Gateway Center
Pittsburgh, Pa. 15222
(412) 244-2000
Corporate Personnel
Douglas D. Danforth, chmn

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Westinghouse Broadcasting Co.
888 7th Ave.
New York, N.Y. 10106
(212) 307-3000
Corporate Personnel
Burton B. Staniar, chmn-ceo
MEDIA PROPERTIES
Broadcasting
TV: KPIX-TV, San Francisco; WJZ-TV, Baltimore; WBZ-TV, Boston; KYW-TV, Philadelphia; KDKA-TV, Pittsburgh.
RADIO: WBZ-AM, Boston; KQZY-FM, Dallas; KEZW-AM, KOSI-FM, Denver; KODA-FM, Houston; KFWB-AM, Los Angeles; WINS-AM, New York; KYW-AM, Philadelphia; KDKA-AM, Pittsburgh; KJQY-FM, San Diego; KQXT-FM, San Antonio; KMEO (AM, FM), Phoenix, Ariz.
Cable/video
CHANNELS: Markets and distributes Home Team Sports pay cable station and The Nashville Network.
SYSTEMS: Chicago (limited partnership).

Second 50 leading media companies

The second 50 largest media companies follow alphabetically and are ranked by revenues generated by their media properties. For dollar figures supporting the ranking and composite media totals see Pages S-8 and S-10.

RANK **93** **Allbritton** Washington

ALLBRITTON COMMUNICATIONS
800 17th Street N.W.
Washington, D.C. 20006
(202) 789-2130
Corporate Personnel
Joseph Allbritton Jr., chmn
Michael Moore, president-newspaper div
WJLA-TV
4461 Connecticut Ave. N.W.
Washington, D.C. 20006
(202) 364-7777
Corporate Personnel
Tom Cookerly, president, president-broadcast div
MEDIA PROPERTIES
Broadcasting
TV: KATV, Little Rock, Ark.; KTUL-TV, Tulsa, Okla.; WCIV, Charleston, S.C.; WJLA-TV, Washington; WSET-TV, Lynchburg, Va.
Newspapers
MASSACHUSETTS: *Westfield News* and companion shopper, *Pennysaver*.

RANK **98** **American Media** New York

AMERICAN MEDIA NETWORK
275 Madison Ave.
New York, N.Y. 10016
(212) 599-1100
Corporate Personnel
Craig Heard, president-ceo
MEDIA PROPERTIES
Outdoor
NEW YORK: Winston Network: Posters on 10,000 trains, 35,000 buses, 3,000 taxis and 700 bus shelters; 20,000 displays in transportation terminals, 12,000 eight-sheet and 1,700 30-sheet posters, and 800 painted bulletins. The company operates production facilities in 30 locations nationwide covering 60 markets.

RANK **94** **Berkshire Hathaway** Omaha, Neb.

BERKSHIRE HATHAWAY
1440 Kiewit Plaza
Omaha, Neb. 68131
(402) 346-1400
Corporate Personnel
Warren E. Buffett, dir-chmn-ceo
Buffalo News
One News Plaza
Buffalo, N.Y. 14240
(716) 849-3434
Corporate Personnel
Stanford Lipsey, president-publisher
MEDIA PROPERTIES
Newspapers
Buffalo News.
Other media operations
Interest in Affiliated Publications, Capital Cities Communications (18.7% interest), interest in Time Inc., Washington Post (16.6% interest).

RANK **67** **Blade** Toledo

BLADE COMMUNICATIONS
541 Superior Street
Toledo, Ohio 43660
(419) 245-6000
Corporate Personnel
John Harms, president
MEDIA PROPERTIES
Broadcasting
TV: KTRV, Nampa/Boise, Idaho; WLFI-TV, Lafayette, Ind.; WLIO, Lima, Ohio; WDRB-TV, Louisville, Ky.
Cable/video
SYSTEMS: OHIO: Buckeye Cablevision-Harbor View, Holland, Lucas County, Maumee, Ottawa Hills, Oregon, Perrysburg, Perrysburg Township, Rossford, Springfield Township, Sylvania, Sylvania Township, Toledo, Washington Township, Wood County; Erie County Cablevision-Bay View, Castalia, Erie County, Huron, Huron Township, Margaretta Township, Oxford Township, Perkins Township, Sandusky. MICHIGAN: Monroe Cablevision-Monroe.
Newspapers
CALIFORNIA: *Monterey Peninsula Herald*. OHIO: *Toledo Blade*. PENNSYLVANIA: *Pittsburgh Post-Gazette*.

RANK **88** **Bonneville** Salt Lake City

BONNEVILLE INTERNATIONAL
36 S. State St.
Salt Lake City, Utah 84111
(801) 575-7500
Corporate Personnel
Rodney H. Brady, president
MEDIA PROPERTIES
Broadcasting
TV: KSL-TV, Salt Lake City; KIRO-TV, Seattle.
RADIO: KBIG (FM), Los Angeles; KIRO, KSEA (FM), Seattle; KMBZ, KMBR (FM), Kansas City, Mo.; KOIT (AM, FM), San Francisco; KSL, Salt Lake City; KZPS (AM, FM), Dallas; WCLR (FM), Skokie, Ill.; WRFM (FM), New York.
OTHER OPERATIONS
Bonneville Broadcasting System, Bonneville Media Communications, Bonneville Telecommunications, Radio Data Services.

RANK **81** **Cablevision Systems** Woodbury, N.Y.

CABLEVISION SYSTEMS CORP.
One Media Crossways
Woodbury, N.Y. 11797
(516) 364-8450
Corporate Personnel
Charles F. Dolan, chmn-ceo-dir
James A. Kofalt, pres-cable operations
Cable/video
SYSTEMS: Cablevision of Connecticut (lower Fairfield County); Cablevision of Southern Connecticut (Bridgeport area); Cablevision of Long Island; Cablevision of Michigan (Kalamazoo area); Cablevision of the Midwest (suburban Cleveland); Cablevision of Bayonne (New Jersey); Cablevision of New Jersey (Bergen County); Cablevision of Westchester (Yonkers, N.Y.). Related companies: Cablevision of Chicago, Cablevision of Boston.
PROGRAMMING: Rainbow Program Enterprises—SportsChannel New York, SportsChannel New England, SportsChannel Chicago; PRISM (Philadelphia area); American Movie Classics; Bravo; Rainbow News 12; Rainbow Home Video.
OTHER OPERATIONS
Rainbow Advertising Sales Co., Rainbow Network Communications.

RANK **52** **Cahners** Des Plaines, Ill.

CAHNERS PUBLISHING CO.
275 Washington St
Newton, Mass. 02158
(617) 964-3030
Corporate Personnel
Ronald G. Segel, president
Cahners Publishing Co.
Cahners Plaza
1350 E. Touhy Ave.
P.O. Box 5080
Des Plaines, Ill. 61108
(312) 635-8800
Corporate Personnel
William Platt, president-magazine div
MEDIA PROPERTIES
Magazines
American Baby, American Baby/The First Year of Life, American Journal of Cardiology, American Journal of Medicine, American Journal of Surgery, Building Design & construction, Building Supply Home Centers, Childbirth '87, Childbirth Educator, Chromatography, CPI Purchasing, consulting/Specifying Engineer, Construction Equipment Contractor, Control Engineering, Corporate Design, Cutis, Datamation, Design News, EDN, EDN News, Electronic Business, Electronic Packaging & Production, Electronics Purchasing, Emergency Medicine, Foodservice Equipment & Supplies Specialist, Graphic Arts Monthly, Highway & Heavy Construction, Hotels & Restaurants Int'l., Industrial Distribution, Interior Design, Library Journal, Mini-Micro Systems, Modern Materials Handling, Packaging, Physicians Travel & Meeting Guide, Plant Engineering, Plastics World, Professional Builder, Publishers Weekly, Purchasing, Research & Development, Restaurants & Institutions, School Library Journal, Security, Security Distributing & Marketing Semiconductor International, Test & Measurement World, Traffic Management, U.S. Industrial Directory, VA Practitioner.

RANK **57** **Chicago Sun-Times** Chicago

CHICAGO SUN-TIMES
401 N. Wabash
Chicago, Ill. 60611
(312) 321-3000
Corporate personnel
Robert E. Page, president, publisher
Matthew V. Storin, sr vp, editor
MEDIA PROPERTIES
Newspapers
Chicago Sun-Times.
Newspapers (non-dailies)
Star Publications (Chicago Heights): *Chicago Heights Star, Crete University Park Star, Frankfort-Mokena Star, Harvey-Markham Star, Hazel Crest-Country Club Hills Star, Homewood-Flossmoor Star, Matteson-Richton Park Star, Oak Forest Star, Orland Park Star, Park Forest Star, South Holland Dolton-Riverdale-Thornton Star, Tinley Park Star.*

RANK **64** **Chris-Craft** New York

CHRIS-CRAFT INDUSTRIES
600 Madison Ave.
25th Floor
New York, N.Y. 10022
(212) 421-0200
Corporate Personnel
Evan Thompson, president, Chris-Craft Television
MEDIA PROPERTIES
Broadcasting
TV: KCOP, Los Angeles; KPTV, Portland, Ore.; KMSP-TV, Minneapolis/St. Paul; KTVX, Salt Lake City; KMOL-TV, San Antonio, Texas; KBHK-TV, San Francisco; KUTP-TV, Phoenix, Ariz.

Forbes poopoos premiums

Forbes, unlike others, does not offer premiums to boost magazine subs: "We maintain a subscriber to Forbes gets the magazine, not a clock," says Jack Thornton, circulation director.

RANK **53** **Cowles** Minneapolis

COWLES MEDIA COMPANY
329 Portland Ave.
Minneapolis, Minn. 55415
(612) 375-7000
Corporate Personnel
David Kruidenier, chmn
David Cox, president-ceo
James Alcott, vp-admin
MEDIA PROPERTIES
Newspapers
MINNESOTA: *Minneapolis Star & Tribune*. MONTANA: *Great Falls Tribune*. SOUTH DAKOTA: *Rapid City Journal*. IDAHO: *South Idaho Press*. ARIZONA: *Scottsdale Progress*.
Newspapers (non-dailies)
COLORADO: Sentinel newspapers in Arapahoe, Arvada, Aurora, Commerce City, Englewood, Lakewood, Littleton, North Glen-Thornton, South Jefferson, Westminster, Wheat Ridge; IDAHO: *Minidoka News, Reminder Shopper*.
Magazines
Civil War Times, American History Illustrated, Country Journal, Fly Fisherman, British Heritage, Early American Life, Opus.
OTHER OPERATIONS
Sun Communities Directories.

RANK **92** **Crain** Chicago

CRAIN COMMUNICATIONS INC.
740 Rush St.
Chicago, Ill. 60611
(312) 649-5200
Corporate Personnel
Mrs. G.D. Crain Jr., chmn
Rance Crain, president
Keith Crain, vice-chmn
MEDIA PROPERTIES
Broadcasting
RADIO: WWUS (FM), Key West, Fla.
Magazines
Advertising Age, American Clean Car, American Coin-Op, American Drycleaner, American Laundry Digest, Automotive News, AutoWeek, Business Insurance, Business Marketing, Crain's Chicago Business, Crain's Cleveland Business, Crain's Detroit Business, Crain's New York Business, Crain's Tire Business, City & State, Detroit Monthly, Electronic Media, Florida Keys Magazine, Humm's Guide to the Florida Keys, Modern Healthcare, Pensions & Investment Age, Rubber & Plastics News.
Other media operations
Crain News Syndicate.
OTHER OPERATIONS
Crain Computer Services.

RANK **74** **Dispatch** Columbus, Ohio

DISPATCH PRINTING CO.
University Club
40 S. 3rd Street
Columbus, Ohio 43216
(614) 461-5000
Corporate Personnel
John W. Wolfe, chmn
Robert B. Smith, editor-in-chief, *Ohio*
Columbus Dispatch
43 S. Third St.
Columbus, Ohio 43216
(614) 461-5258
Corporate Personnel
John F. Wolfe, publisher
WBNS-TV Channel 10
P.O. Box 1010
Columbus, Ohio 43216
(614) 460-3700
Corporate Personnel
Gene D'Angelo, president
MEDIA PROPERTIES
Broadcasting
TV: WTHR, Indianapolis; WBNS-TV, Columbus, Ohio.
RADIO: WBNS (AM, FM), Columbus, Ohio.
Magazines
Ohio.
Newspapers
OHIO: *Columbus Dispatch*.
Other media operations
Dispatch Consumer Services, TBS International, Dallas.

RANK **91** **Forbes Inc.** New York

FORBES INC.
60 5th Ave.
New York, N.Y. 10011
(212) 620-2200
Corporate Personnel
Malcolm Forbes, chmn, editor-in-chief-Forbes Inc.
Malcolm Forbes Jr., chmn, Somerset Press
Timothy Forbes, president, American Heritage
MEDIA PROPERTIES
Magazines
American Heritage, American Heritage of Invention & Technology, Forbes.
Newspapers (non-dailies)
NEW JERSEY: *Bound Brook Chronicle, Metuchen-Edison Review, Middlesex Chronicle, Piscataway-Dunellen Review, Somerset Messenger-Gazette, South Plainfield Reporter.*
Other media operations
Forbes Specific Situation Survey.
OTHER OPERATIONS
Forbes Investors Advisory Institute, Forbes Galleries, art collection, various real estate holdings including Forbes Sangre de Cristo Ranch, Fort Garland, Colo.; Forbes Lake of the Ozarks resort, Warsaw, Mo.; Laucala Island in the Fiji Islands.

RANK **75** **HBJ** Orlando, Fla.

HARCOURT BRACE JOVANOVICH
Orlando, Fla. 32887
(305) 345-2000
Corporate Personnel
William Jovanovich, chmn-ceo
Robert L. Edgell, vice-chmn-magazines
Harcourt Brace Jovanovich Publications
7500 Old Oak Blvd.
Cleveland, Ohio 44130
(216) 243-8100
Corporate Personnel
Richard Moeller, president
MEDIA PROPERTIES
Broadcasting
TV: WDIO-TV, Duluth, Minn.; WIRT, Hibbing, Minn.
Magazines
COMMUNICATIONS: *Communications News, Telco Craftsman, Telephone Engineer & Management, Telephone Engineer & Management Directory, Telephone Engineer & Management Fast Action Postcards.* EDUCATION: *Instructor, Instructor Action Cards, Instructor Books; Instructor Computer Director for Schools, Instructor Education Service, ECE Teacher.* ENERGY: *Brown's Directory of North American and International Gas Companies, Drilling, L/P Gas, Petroleum Engineer International, Pipeline & Gas Journal, SGA Directory.* FARM: *Colorado Rancher & Farmer, Kansas Farmer, Michigan Farmer, Missouri Ruralist, Nebraska Farmer, Ohio Farmer, Pennsylvania Farmer, Oklahoma/Texas Farmer-Stockman.* HEALTHCARE: *Dental Laboratory Review, Dental Management, Dermatology Times, DVM, Newsmagazine of Veterinary Medicine, Geriatrics, Hearing Instruments, Hospital Formulary, Modern Medicine, Neurology, Ophthalmology Times, Physician's Management, Urology Times.* MANUFACTURING, DISTRIBUTING & SERVICE: *American Automatic Merchandiser, American Automatic Merchandiser Bluebook, American Salon, Green Book, BBSI Convention Preview, Automatic ID News, Action Cards, Concrete, Exteriors, Lawn Care Industry, Lawn Care Industry Directory, Pest Control, Pest Control Show Daily, Weeds, Trees & Turf, Landscape Exposition Directory.* MERCHANDISING: *Aftermarket Business, Buyer's Guide, APAA Show Daily, Big "I" Show Daily, Body Fashions/Intimate Apparel, Body Fashions/Intimate Apparel Directory, Body Fashions/Intimate Apparel International Edition, Body Fashions/Intimate Apparel Market Maker, Flooring Market Shopper, CDTA Extra, Hosiery & Underwear, Housewares, Housewares Show Stopper, Pets/Supplies/Marketing.* PAPER: *International Container Directory, Official Container Directory, Paperboard Packaging, Paperboard Packaging International, Paper Year Book.* PLASTICS: *Plastics Compounding, Plastics Compounding Redbook, Plastics Design Forum, Plastics Machinery & Equipment, Plastics Machinery & Equipment Postcards.* PROCESSING & PACKAGING: *Beverage Industry, Beverage Industry Annual Manual, Candy Industry, Candy Marketer, Drug & Cosmetic Catalog, Drug & Cosmetic Industry, Cosmetic Insiders' Report, Food & Drug Packaging, Food & Drug Packaging Postcards, Snack Food.* RECREATION AND LEISURE: *Bicycle Dealer Showcase, Flotation Sleep Industry, Flotation Sleep Industry Buyers Guide, Motorcycle Dealernews, Motorcycle Dealernews Buyers Guide, Motorcycle Dealernews International, Spa & Sauna, Spa & Sauna Buyers Guide, Video Store.* TRADE SHOWS: *Pocket Survival Guide, Showpower.* TRAVEL & LODGING: *Corporate Meetings & Incentives, Corporate Meetings & Incentives Action Cards, Directory of Incentive Travel International, Hotel & Motel Management, Hotel & Motel*

Management Quick Order Product Postcards.

Newsletters

Homeowners Advisory Letter, Investing in Real Estate, Jack Anderson's Washington Letter, Real Estate Investing Letter.

OTHER OPERATIONS

Book clubs, book publishing, convention services, instructional materials, insurance, management consulting, Florida Cypress Gardens, Sea World Enterprises, trade & consumer shows.

RANK 95

H&C Comm.
Houston

H&C COMMUNICATIONS
3050 Post Oak Blvd., Ste. 1330
Houston, Texas 77056
(713) 993-2500
Corporate Personnel
Jim Crowther, president
WJR-TV
2233 Wisconsin Ave. N.W., Ste. 442
Washington, D.C. 20007
(202) 333-6800
Corporate Personnel
Henry Catto, president, broadcast div
MEDIA PROPERTIES
Broadcasting
TV: KCCI-TV, Des Moines, Iowa; KPRC-TV, Houston; KSAT-TV, San Antonio; KVOA-TV, Tucson, Ariz.; WESH-TV, Daytona Beach/Orlando, Fla.; WTVF-TV, Nashville, Tenn.
RADIO: KPRC, Houston.
Magazines
Washington Journalism Review (donated June 1987 to University of Maryland College of Journalism).

RANK 100

Heritage
Des Moines, Iowa

HERITAGE COMMUNICATIONS
2195 Ingersoll Ave.
Des Moines, Iowa 50312
(515) 246-1440
Corporate Personnel
James M. Hoak Jr., president
James S. Cownie, president, cable tv group
MEDIA PROPERTIES
Broadcasting
TV: WEAR-TV, Pensacola, Fla.; WCHS-TV, Charleston, W.V.; WPZT-TV, Plattsburg, N.Y.; KAUT-TV, Oklahoma City; WCJB-TV, Gainesville, Fla.; KEVN-TV, Rapid City, S.D.; KDLT, Mitchell-Sioux Falls, S.D.; WABI-TV, Bangor, Maine (30% interest); WPDE-TV, Florence, S.C.(30% interest); WCTI-TV, Greenville, N.C.(30% interest); WDAU-TV, Wilkes-Barre, Pa. (30% interest).
RADIO: WIL (AM, FM), St. Louis; WEMP, WMYX (FM), Milwaukee; WBBF, WMJQ (FM), Rochester, N.Y.; KDAY, Los Angeles; WABI, WBGW (FM), Bangor, Maine (30% interest).
Cable/video
SYSTEMS: Heritage Cablevision-ALABAMA: Red Bay. CALIFORNIA: Compton, Hawaiian Gardens, Palo Alto, South El Monte, Willowbrook. COLORADO: Avon, Buena Vista, Dowd's Junction, Fowler, Frisco, Granby, Kremmling, LaJunta, Lake Hill, Lamar, Three Lakes, Walsenburg, Winter Park, Vail. DELAWARE: Branford, Wilmington. INDIANA: Bedford, Bristol, Jefferson Township, Middlebury, Rochester, South Bend, St. Joseph County, Wakarusa. IOWA: Ackley, Albia, Ames, Applington, Avoca, Bedford, Belle Plaine, Boone, Chariton, Clarinda, Clarion, Clinton, Colfax, Columbus Junction, Corning, Council Bluffs, Creston, Denison, Des Moines, Dexter, Duncan, Durant, Eldora, Forest City, Fort Dodge, Fort Madison, Glenwood, Granger, Greenfield, Grinnell, Grundy Center, Guthrie Center, Hampton, Harlan, Hawarden, Indianola, Iowa City, Jefferson, Knoxville, LaVinia, Le Mars, Leon, Madrid, Marengo, Marshalltown, Mason City, Morning Sun, Mount Ayr, Mount Pleasant, Muscatine, New London, Newton, Northwood, Ortonville, Osage, Osceola, Parkersburg, Perry, Pella, Red Oak, Sheldahl, Shenandoah, Storm Lake, Story City, Toledo, Traer, Villisca, Wapello, Waverly, Webster City, West Point, Wilton, Winterset. MAINE: Biddeford (30% interest), Sanford (30% interest), Wells (30% interest). MASSACHUSETTS: Amesbury (30% interest), Andover, Gloucester (30% interest). MICHIGAN: Birmingham, Edwardsburg. MINNESOTA: Benson, Kerkhoven, Willmar. MISSISSIPPI: Aberdeen, Amory, Ashland, Booneville, Charleston, Columbia, Ecru, Guntown, Holly Springs, Iuka, Macon, Nettleton, New Albany, Oxford, Shelby. MISSOURI: Tarkio. NEW HAMPSHIRE: Rochester (30% interest). OHIO: Bryan, Coldwater, Paulding. PENNSYLVANIA: Philadelphia. RHODE ISLAND: Johnston. TENNESSEE: Bartlett, Germantown. TEXAS: Alice, Alton, Brownsville, Dallas, Edcouch, Falfurrias, Farmers Branch, Harlingen, Hidalgo, Los Fresnos, Pharr, Port Isabel, Premont, Raymondville, Rio Grande City, South Padre Island, Sullivan City, Weslaco. WISCONSIN: Baraboo, Lake Delton, Reedsburg.

OTHER OPERATIONS

Gill Industries (51% ownership), Heritage Communications International Finance N.V., Heritage Communications Products Corp.

RANK 78

Home Shopping
Clearwater, Fla.

HOME SHOPPING NETWORK
1529 U.S. Highway 19 South
Clearwater, Fla. 33546
(813) 530-9455
Corporate Personnel
Roy M. Speer, chmn-ceo
Silver King Broadcasting
(Channel 67)
390 W. Market Street
Newark, N.J. 07107
(201) 643-6800
Corporate Personnel
James Flynn, sr vp
MEDIA PROPERTIES
Broadcasting
TV: WQHS-TV, Cleveland; KHSC-TV, Los Angeles; WHSH-TV, Boston; WEHS-TV, Chicago; WHSE-TV, Newark, N.J.; WHSI-TV, Smithtown, Long Island, N.Y.; WHSW-TV, Baltimore; KHSH-TV, Houston; WHSP-TV, Philadelphia; KWVT-TV, Portland/Salem, Ore.; KLTJ-TV, Dallas; KPST-TV, San Francisco; Channel 69, Miami, (call letters pending).
Cable
Cable Services: HSN I, HSN II.
Other media properties
"Home Shopping Game."

OTHER PROPERTIES

Home Shopping Entertainment, Home Shopping Network Financial Services, House of Noblene, Silver King Aviation, Sun Tours, Sun Travel, Citrus Office Supply, Home Shopping Administrative Services, Home Shopping Auto Mart, Home Shopping Insurance, Home Shopping Travel, International Bargaineers, Home Shopping Network Realty, Stuart McGuire Co.

RANK 68

Howard Publications
Oceanside, Calif.

HOWARD PUBLICATIONS
P.O. Box 570
Oceanside, Calif. 92054
(619) 433-5771
Corporate Personnel
Robert Howard, president
Falcon Communications
199 S. Los Robles Ave., Ste. 600
Pasadena, Calif. 91101
(818) 796-2555
Corporate Personnel
Chris Derick, president
MEDIA PROPERTIES
Broadcasting
TV: WIVB-TV, Buffalo, N.Y.
Cable/video
SYSTEMS: CALIFORNIA: Alhambra, Huntington Park, Norco, Norwalk, Pasadena, Riverside, San Gabriel, Temple City, Walnut, West Covina and unincorporated parts of Los Angeles County including Altadena. WYOMING: Evanston.
Newspapers
CALIFORNIA: *Oceanside Blade-Tribune, San Clemente Sun-Post*. COLORADO: *Northwest Colorado Press* (Craig). IDAHO: *Twin Falls Times-News*. ILLINOIS: *Charleston Times-Courier, Freeport Journal-Standard, Mattoon Journal-Gazette, Pekin Daily Times*. INDIANA: *Hammond Times, Logansport Pharos-Tribune & Press*. IOWA: *Sioux City Journal* (owned jointly with Hagadone Newspapers), *Waterloo Courier*. KENTUCKY: *Maysville Ledger-Independent*. NEW YORK: *Auburn Citizen-Advertiser, Corning Leader, Glens Falls Post-Star*. PENNSYLVANIA: *Carlyle Sentinel*. SOUTH CAROLINA: *Orangeburg Times & Democrat*. WYOMING: *Casper Star-Tribune*.

OTHER OPERATIONS

Howard Energy Co. (Traverse City, Mich.).

RANK 87

Hubbard
St. Paul, Minn.

HUBBARD BROADCASTING
3415 University Ave. W.
St. Paul, Minn. 55415
(612) 646-5555
Corporate Personnel
Stanley S. Hubbard, chmn-president-ceo
MEDIA PROPERTIES
Broadcasting
TV: WTOG, St. Petersburg, Fla.; KSTP-TV, St. Paul, Minn.; KSAX-TV, Alexandria, Minn.; KRWF-TV, Redwood Falls, Minn.; KOB-TV, Albuquerque, N.M.; KOBF, Farmington, N.M.; KOBR-TV, Roswell, N.M.
RADIO: KSTP (AM, FM), St. Paul, Minn.
Other media properties
Conus Communications (St. Paul, Minn.); USTV St. Paul, Minn. and Los Angeles Cal., USSB (United States Satellite Broadcasting), St. Paul.

RANK 54

IDG
Framingham, Mass.

INTERNATIONAL DATA GROUP
5 Speen St.
Framingham, Mass. 01701
(617) 879-0700
Corporate personel
Patrick J. McGovern, chmn
U.S.MEDIA PROPERTIES
Magazines
CW Communications-*Computerworld, Network World, Boston ComputerNews*; InfoWorld Publications-*InfoWorld, Micro MarketWorld*; PC World Communications-*MacWord, PC World, MacIntosh Today, Publish!, Windows*; CWCI Peterborough—*Amiga World, Computers in Science, inCider, Run, 80 Micro, CD-ROM Review, PC Resource, Portable Computer Review*; Digital News Publishing-*Digital News*; GSN, Inc.-*Federal Computer Week*; Computer Currents Publishing-*Computer Currents*; International Data Corp.—special supplements, single sponsor/private label publications & *Executive Reports*.
Other media operations
LDG Communications News Division; CW/Conference Management Group.

RANK 56

Journal
Milwaukee, Wis.

JOURNAL COMMUNICATIONS
333 W. State Street
Milwaukee, Wis. 53203
(414) 224-2000
Corporate Personnel
Thomas McCollow, chmn-ceo
Robert Kahlor, president-Journal/Sentinel
WTMJ Inc.
720 E. Capitol Drive
Milwaukee, Wisc. 53201
(414) 332-9611
Corporate Personnel
Steven Smith, president
MEDIA PROPERTIES
Broadcasting
TV: KTNV-TV, Las Vegas, Nev.; WTMJ-TV, Milwaukee; WSYM, Lansing, Mich.
RADIO: WTMJ (AM), WKTI (FM), Milwaukee; WSAU, WIFC (FM), Wausau, Wis.
Newspapers
WISCONSIN: *Milwaukee Journal, Milwaukee Sentinel*.
Newspapers (non-dailies)
CONNECTICUT: Hometown Publishing—*Easton Courier, Huntington Herald, Monroe Courier, Stratford Star, Trumbull Times, Milford Mirror*. FLORIDA: Shoppers in Gainesville. MONTANA: Shoppers in Great Falls, Missoula. NORTH CAROLINA: Shoppers in Asheville, Hendersonville. WISCONSIN: *Press Star*, shoppers in Berlin, New London, Neenah, Oshkosh, Seymour, Stevens Point, Waupaca, Wausau, Wisconsin Rapids.

OTHER OPERATIONS

MJE Corp.(Niles, Ill.); Midwestern Rely Co. (Milwaukee); Perry Printing Corp. (Waterloo, Wis., with plants in Baraboo; Milwaukee; Norway, Mich.; and Trumbull, Conn.).

RANK 97

Knapp
Los Angeles

KNAPP COMMUNICATIONS
5900 Wilshire Blvd.
Los Angeles, Calif. 90036
(213) 937-5486
Corporate Personnel
Cleon T. (Bud) Knapp, chmn
Paige Rense, sr vp-genl mgr-*Architectural Digest*
William J. Garry, sr vp, genl mgr-*Bon Appetit*
Patrick R. Casey, sr vp, genl mgr-*Home*
MEDIA PROPERTIES
Magazines
Architectural Digest, AD (Milan), *Bon Appetit, Home* (general partner), *Best Selling Home Plans*. Pending October launch: *Architectural Digest Travels*.

OTHER OPERATIONS

Knapp Press, Rosebud Books, Wilshire Marketing Corp.

RANK 62

Lee Enterprises
Davenport, Iowa

LEE ENTERPRISES
130 E. Second St.
Davenport, Iowa 52801
(319) 383-2202
Corporate personnel
Lloyd G. Schermer, chmn-ceo
Richard D. Gottlieb, president-coo
Richard Belkin, vp-broadcasting & corp planning
Ronald Rickman, vp-newspapers
MEDIA PROPERTIES
Broadcasting
TV: KGGM-TV, Albuquerque, N.M. (42% ownership); KGMB, Honolulu; KHQA-TV, Hannibal, Mo.; KOIN-TV, Portland, Ore.; WSAZ-TV, Huntington-Charleston, W. Va.; KMTV, Omaha, Neb.; KGUN-TV, Tucson, Ariz.
Magazines
Western Business (Billings, Mont.).
Newspapers
ILLINOIS: *Decatur Herald & Review, Kewanee Star Courier, Southern Illinoisan Review* (Carbondale). IOWA: *Mason City Globe-Gazette, Muscatine Journal, Ottumwa Courier, Quad-City Times* (Davenport). MINNESOTA: *Winona Daily News*. MONTANA: *Billings Gazette, Butte Montana Standard, Helena Independent Record, Missoula Missoulian*. NEBRASKA: *Lincoln Star*. NORTH DAKOTA: *Bismarck Tribune*. OREGON: *Corvallis Gazette-Times*. WISCONSIN: *La Crosse Tribune, Racine Journal, Wisconsin State Journal* (Madison).

OTHER OPERATIONS

NAPP Systems (manufacturer of graphic system products); Call-It Co.

RANK 79

LIN Broadcasting
New York

LIN BROADCASTING
1370 Ave. of the Americas
New York, N.Y. 10019
(212) 765-1902
Corporate Personnel
Donald A. Pels, chmn-president
E. Blake Byrne, group vp-television
GuestInformant
210 Post St.
San Francisco, Calif. 94108
(415) 362-8384
Corporate Personnel
Harold N. Spitz, chmn
MEDIA PROPERTIES
Broadcasting
TV: WAND-TV, Decatur/Champaign/Springfield/Danville, Ill.; KTVV-TV, Austin, Texas; KXAS-TV, Dallas/Fort Worth; WAVY-TV, Portsmouth/Norfolk/Newport News/Hampton Roads Va.; WOTV-TV, Grand Rapids, Mich.; WISH-TV, Indianapolis; WANE-TV, Fort Wayne, Ind.
Magazines
GuestInformant (distributed in hotel rooms), *Quick City Guides* (distributed in hotel lobbies).

OTHER OPERATIONS

Cellular radio ventures.

RANK 51

Maclean Hunter
Toronto

MACLEAN HUNTER LTD.
Maclean Hunter Bldg.
777 Bay Street
Toronto, Ontario M5W 1A7
(416) 596-5526
Corporate Personnel
Donald G. Campbell, chmn
Maclean Hunter Cable TV
27 Fasken Drive
Etobicoke, Ontario M9W 1K7
(416) 675-5930
Corporate Personnel
J. Barry Gage, president-ceo
Lakewood Publications
50 S. 9th Street
Minneapolis, Minn. 55402
(612) 333-0471
Corporate Personnel
Jim Secord, president
Maclean Hunter Media
1351 Washington Blvd.
Stamford, Conn. 06902
(203) 325-3500
Corporate Personnel
John W. Skeels, president
National Market Reports
300 W. Adams Street
Chicago, Ill. 60606
(312) 726-2802
Corporate Personnel
Jack Heffinger, president
U.S. MEDIA PROPERTIES
Cable/video
MICHIGAN: Barden Cablevision (49% interest), Maclean Hunter Cable TV. NEW JERSEY: Cable TV of Jersey City (80% interest), Suburban Cablevision.
Magazines
Airport Services Management, American Printer, Blue Book of Used Truck Evaluations, Boxboard Containers, Coal Mining, Concrete Products, Dog World, EP&P, Frozen Food Age, Graphic Arts Product News, Hospital Practice, Kennel Doctor, Mobile/Manufactured Home Blue Book, Motorcycle Red Book, National Boat Book, National Farm Tractor & Implement Blue Book, National Mall Monitor, Older Car Red Book, Pacific Fishing, Paper, Film & Foil Converter, Photo/Design, Photomethods, Potentials in Marketing, Potentials Mart, Progressive Grocer, Progressive Grocer Executive Report, Recreation, Sports & Leisure, Recreational Vehicle Blue Book, Red Book of Official User Car Valuations, Remodeling Contractor, Rock Products, Training, Van Conversion Blue Book.
Newspaper
TEXAS: *Houston Post*.

OTHER OPERATIONS

Maclean Hunter Publishing Co. (Illinois), Maclean Hunter Media (Connecticut), HP Publishing Co. (New York), Lakewood Publications Inc. (Minnesota), Transkrit Corp. (New York).

RANK 80

Macromedia
Hackensack, N.J.

MACROMEDIA INC.
150 River Street
Hackensack, N.J. 07602
(201) 646-4000
Corporate Personnel
Malcolm A. Borg, chmn-publisher
Michael H. Heath, president, *Record*
News Tribune
1 Hoover Way
Woodbridge, N.J. 07095
(201) 442-0400
Corporate Personnel
Robert Sapara, president
Gateway Communications
Suite 612 Executive Bldg
Cherry Hill, N.J. 08020
(609) 667-8100
Corporate Personnel
Lewis Klein, president
MEDIA PROPERTIES
Broadcasting
TV: WBNG-TV, Binghamton, N.Y.; WLYH-TV, Harrisburg/York/Lancaster/Lebanon, Pa.; WOWK-TV, Charleston/Huntington, W.Va.; WTAJ-TV, Johnstown/Altoona, Pa.
Newspapers
NEW JERSEY: *News Tribune* (Woodbridge), *Record* (Hackensack).

OTHER PROPERTIES

Macromedia Leasing Corp. (vehicle leasing).

RANK 76

National Enquirer
Lantana, Fla.

NATIONAL ENQUIRER
600 S.E. Coast Ave.
Lantana, Fla. 33464
(305) 586-1111
Corporate Personnel
Iain Calder, president, editor-in-chief
Joe West, publisher-*Weekly World News*
Video Digest
1046 Hypoluxo Rd.
Lantana, Fla. 33462
(305) 582-4225
Corporate Personnel
David Minter, publisher
MEDIA PROPERTIES
Newspapers
National Enquirer, Weekly World News.
Magazine
Video Digest.

RANK 59

National Geographic
Washington

NATIONAL GEOGRAPHIC SOCIETY
17th & M Streets N.W.
Washington, D.C. 20036
(202) 857-7000
Corporate Personnel
Gilbert Grosvenor, president
MEDIA PROPERTIES
Magazines
National Geographic, "National Geographic Research," *National Geographic Traveler*, "National Geographic World."

Publisher pushes sports

Petersen Publishing turns more and more to sports, with *Petersen's Pro Basketball* and an "encyclopedia of sports" in 1988, last year's *Petersen's Pro Baseball*, and the opening up of its *Petersen's Pro Football* from a single ad sponsor to national ad support.

RANK 89

Park
Ithaca, N.Y.

PARK COMMUNICATIONS
Terrace Hill, Tower Building
Ithaca, N.Y. 14850
(607) 272-9020
Corporate Personnel
Roy H. Park, chmn-ceo
Robert J. Rossi, vp-newspapers
William L. Fowler, vp-radio
W. Randall Odil, vp-tv
MEDIA PROPERTIES
Broadcasting
TV: WBMG, Birmingham, Ala.; WUTR, Utica, N.Y.; WNCT-TV, Greenville, N.C.; WSLS-TV, Roanoke, Va.; WTVR-TV, Richmond, Va.; WDEF-TV, Chattanooga, Tenn.; WJHL-TV, Johnson City, Tenn.
RADIO: KWLO (AM, FM), KFNW-FM, Waterloo, Iowa; WPAT (AM, FM), Clifton, N.J.; KJJO (AM, FM), Minneapolis; WHEN, WRRB-FM, Syracuse, N.Y.; WNCT (AM, FM), Greenville, N.C.; KWJJ (AM, FM), Portland, Ore.; WNAX-AM, Yankton, S.D.; WDEF (AM, FM), Chattanooga, Tenn.; WTVR (AM, FM), Richmond, Va.; KEZX (AM, FM), Seattle.
Newspapers
ARKANSAS: *Courier News* (Blytheville), *Daily World* (Helena). FLORIDA: *Daily Sun Journal* (Brooksville). GEORGIA: *Sun* (Warner Robins). ILLINOIS: *Macomb Journal*. INDIANA: *Evening News* (Jeffersonville), *Pilot-News* (Plymouth). IOWA: *Evening Sentinel* (Shenandoah). MINNESOTA: *Pioneer* (Bemidji). NEBRASKA: *Nebraska City News-Press*. NEW YORK: *Evening Sun* (Norwich), *Journal, Advance News* (Ogdensburg), *Journal-Register* (Medina), *Register-Star* (Hudson), *Union-Sun & Journal* (Lockport). NORTH CAROLINA: *Citizen News-Record* (Aberdeen), *Concord Tribune* (Concord), *Daily Independent* (Kannapolis), *McDowell News* (Marion), *News Herald* (Morganton), *Observer-News Enterprise* (Newton), Robesonian (Lumberton), *Sampson Independent* (Clinton), *Statesville Record & Landmark* (Statesville). NORTH DAKOTA: *Devils Lake Daily Journal*. OKLAHOMA: *Daily Ledger* (Broken Arrow), *News-Capital & Democrat* (McAlester), *Sapulpa Daily Herald*. PENNSYLVANIA: *Milton Standard, Lewisburg Daily Journal*. VIRGINIA: *Journal Messenger* (Manassas), *News-Virginian* (Waynesboro).
Newspapers (non-dailies)
ARKANSAS: *Osceola Times, Mail Call* (Blytheville), *Missco Shopper Guide* (Osceola), *Twin City Tribune/Advertiser* (Helena/West Helena). FLORIDA: *Wednesday Hernando Free Press, Sunday Hernando Free Press* (Brooksville). GEORGIA: *Houston County News* (Warner Robins), *Houston Home Journal* (Perry), *Shoppers Extra* (Perry). ILLINOIS: *Business News* (Macomb). INDIANA: *Bremen Enquirer, Clark County Journal* (Jeffersonville), *Farm & Home News, Nappanee Advance News* (Nappanee). IOWA: Essex Independent, Weekly Times (Shenandoah). KENTUCKY: *Frenchburg County News, Grayson Journal Enquirer, Grayson County News-Gazette* (Leitchfield), *Greenup News, Logan Leader* (Russellville), *Morehead News, News-Democrat* (Russellville), *Olive Hill Times, Shopping News* (Sandy Hook shopper), *Sentinel Echo* (London). MICHIGAN: *Advertiser* (Bemidji). NEBRASKA: *Tri-State Weekly* (Nebraska City). NEW YORK: *Albion Advertiser, Chatham Courier, Massena Observer, Potsdam Courier Freeman, St. Lawrence Plaindealer, Rural News* (Canton), *Tri-County News* (Lockport), *TV Signals* (Medina), *Pennysaver* (Medina), *Chenango Shopper* (Norwich). NORTH CAROLINA: *Mecklenburg Gazette* (Davidson), *Bladen Journal* (Elizabethtown), *Valdes News, Mooresville Tribune, Sampson County Shopping Guild & TV Schedule, Cabarrus Observer* (Kannapolis), *Carbarrus Observer* (Concord), *Robesonian Weekly* (Lumberton), *McDowell Express* (Marion), *News Outlook Shopping Guide* (Aberdeen), *County News Enterprise-Maiden Times* (Newton), *Burke County Observer* (Morganton), *Landmark Observer* (Statesville), *Shoppers Guide* (Mooresville). NORTH DAKOTA: *County Peddler* (Devils Lake). OKLAHOMA: *Bixby Bulletin, Broken Arrow Weekly Ledger, Jenks Journal, Hartshorne Sun, Herald Extra* (Sapulpa), *Mannford Eagle, Sand Springs Leader, Southeastern Oklahoma Shopping News* (McAlester), *Sand Springs Extra*. PENNSYLVANIA: *Wayne Independent, Wayne Weekly* (Honesdale). VIRGINIA: *Suburban Virginia Times* (Manassas).

RANK 58

Patrick Media
Scranton

PATRICK MEDIA GROUP
2101 Myrtle Street
Scranton, Pa. 18510
(717) 347-7100
Corporate Personnel
Gerard P. Joyce, president
MEDIA PROPERTIES
Outdoor
53,000 displays in 37 metropolitan markets, divided 70% poster panels and 30% painted bulletins.

RANK 86

Penthouse
New York

PENTHOUSE INTERNATIONAL
1965 Broadway
New York, N.Y. 10023
(212) 496-6100
Corporate Personnel
Robert Guccione, president
MEDIA PROPERTIES
Magazines
Forum, "Girls of Penthouse," *Four Wheeler, Hot Talk, Longevity, Omni, Penthouse, Penthouse Letters, Spin, Variations.*
OTHER OPERATIONS
Apex Properties, Boardwalk Properties, Penthouse Films, Penthouse International Books, Omni Books, Penthouse Video.

RANK 82

Petersen
Los Angeles

PETERSEN PUBLISHING CO.
8490 Sunset Blvd.
Los Angeles, Calif. 90069
(213) 854-2222
Corporate Personnel
Robert E. Petersen, chmn
Fredrick R. Wangrow, president-genl mgr
MEDIA PROPERTIES
Magazines
Car Craft, Cartoons, Chevrolet High-Performance, Circle Track, Dirt Rider, Drag Racing, Guns & Ammo, Home Fitness & Equipment, Handguns, Hot Rod, International Combat Arms, Kit Car, Motor Trend, Motorcyclist, Muscle Car Classics, Mustang, Petersen's Fishing, Petersen's 4-Wheel & Off-Road, Petersen's Hunting, Petersen's Photo-Graphic, Pro Baseball, Pro Football, Skin Diver, Sports Cars of the World, Super/Moto Cross (beginning July '87), Teen. Also one-shot special interest publications.

RANK 99

Pittway
Northbrook, Ill.

PITTWAY CORP.
333 Skokie Blvd.
Northbrook, Ill. 60065
(312) 498-1260
Corporate Personnel
King Harris, president
Penton Publishing
1100 Superior Ave.
Cleveland, Ohio 44114
(216) 321-1647
Corporate Personnel
Saul Marino, president
MEDIA PROPERTIES
Magazines
Air Transport World, Chemical Engineering Catalog, Computer-Aided Engineering, Contracting Business, Foodservice Distributor, Foundry, Government Product News, Handling & Shipping Management, Heating/Piping/Air Conditioning, Hydraulics & Pneumatics, Industry Week, Links Guide, Lodging Hospitality, Machine Design, Material Handling Engineering, Materials Engineering, Millimeter, Modern Office Technology, New Equipment Digest, Occupational Hazards, Power Transmission Design, Power Transmission Distributor, Precision Metal, Production Engineering, Progressive Architecture, Restaurant Hospitality, School and College Product News, Used Equipment Directory, Welding Design & Fabrication, Welding Design and Fabrication, Welding Distributor.
Other media operations
Direct response cards, directories, annuals.
OTHER OPERATIONS
Animated films, C&A Investments, Curtin & Pease/Peneco (direct mail marketing to pharmaceutical companies), list services, Penton Press (graphic services), Penton Learning Systems, Pittway Real Estate, Saddlebrook.

RANK 72

Playboy
Chicago

PLAYBOY ENTERPRISES
919 North Michigan Ave.
Chicago, Ill. 60611
(312) 751-8000
Corporate Personnel
Christie Hefner, president-coo
Playboy Programs
8560 Sunset Blvd.
Los Angeles, Calif. 90069
(213) 659-4080
Corporate Personnel
Ed Risian, president
MEDIA PROPERTIES
Cable/video
CHANNELS: Playboy Channel.
Magazines
Playboy.
Other media operations
Playboy Home Video.
OTHER OPERATIONS
Playboy Products sales and licensing.

RANK 63

Product Movers
New York

PRODUCT MOVERS
621 Avenue of the Americas
New York, N.Y. 10011
(212) 255-3800
Corporate personnel
Kenneth Bortner, president-ceo
MEDIA PROPERTIES
Newspapers (FSIs)
Product Movers had 27 issue dates in 1986 and circulation of 48.6 million through 300 Sunday newspapers serving 316 metro areas.

RANK 60

Providence Journal
Providence, R.I.

PROVIDENCE JOURNAL CO.
75 Fountain Street
Providence, R.I. 02902
(401) 277-7000
Corporate Personnel
Stephen Hamblett, president
Jack Clifford, vp-broadcasting & CATV
MEDIA PROPERTIES
Broadcasting
TV: WPHL-TV, Philadelphia; KSMB, Tucson; Ariz.; KGSW, Albuquerque, N.M; WHAS-TV, Louisville, Ky.
Cable/video
SYSTEMS: CALIFORNIA: Colony Communications-Harbor City, San Pedro, Wilmington; Copley/Colony Cablevision-Costa Mesa, Cyprus. FLORIDA: Colony Communications-Hialeah-Coral Gables (88.9%). MASSACHUSETTS: Colony Communications-Fall River (84%), Lowell, New Bedford (86%), Woburn; Multipoint distribution systems-Boston, Springfield. NEW YORK: Colony Communications-Beacon, Hyde Park, Lloyd, Monroe, Wappinger. RHODE ISLAND: Hopkinton, Westerly; Multipoint distribution system-Providence; Visioncable-Pawtucket.
Newspapers
Providence Journal & Evening Bulletin, Sunday Journal.
Other media operations
Livewire.
OTHER OPERATIONS
Tulsa Cellular Telephone Communications Properties, cellular telephone in Raleigh N.C.

RANK 61

Quad/ Graphics
New York

QUAD/GRAPHICS
1290 Avenue of the Americas
New York, N.Y. 10014
(212) 603-6000
Corporate Personnel
Paul Moschetti, president-ceo
Milwaukee Magazine
312 E. Buffalo
Milwaukee, Wisc. 53202
(414) 273-1101
Corporate Personnel
Betty Quadracci, publisher
MEDIA PROPERTIES
Quad/Marketing.
Magazines
Milwaukee Magazine.

RANK 55

RKO
New York

RKO GENERAL
1440 Broadway
New York, N.Y. 10018
(212) 642-4000
Corporate Personnel
Pat A. Servodidio, president
Jerry Lyman, president, radio div
MEDIA PROPERTIES
Broadcasting
TV: WHBQ-TV, Memphis, Tenn.; WKHJ-TV, Los Angeles.
RADIO: KRTH (AM, FM), Los Angeles; KFRC (AM), San Francisco; WGMS (AM, FM), Washington; WAXY (FM), Miami Fort Lauderdale, Fla.; WFYR (FM), Chicago; WRKO (AM), WROR (FM), Boston; WOR (AM), WKRS (FM), New York; WHBQ (AM), Memphis, Tenn.
OTHER OPERATIONS
RKO Bottlers, RKO Pictures & Film Group.

RANK 90

Rogers
Toronto

ROGERS COMMUNICATIONS
Commercial Union Tower
Toronto Dominion Center,
Box 249, Ste. 2600
Toronto, Ontario M5K 1J5
(416) 864-2373
Corporate Personnel
Edward S. Rogers, chmn
Rogers Cablesystems of America
12th & Market Street
P.O. Box 1347
Wilmington, Del. 19899
(302) 658-8128
Corporate Personnel
Edward S. Rogers, chmn
MEDIA PROPERTIES
Cable
U.S. SYSTEMS: MINNESOTA: Minneapolis (10.7% interest), Minneapolis suburbs—Edina, Hopkins, Minnetonka, Eden Prairie, Richfield (59.5% interest). OREGON: Portland (81.6% interest), Multnomah County (62.6% interest). CALIFORNIA: Orange County—Huntington Beach, Westminster, Fountain Valley, Stanton (50% interest)—Garden Grove, Los Alamitos; Los Angeles County—subsequent to year end, subject to regulatory approvals)—Downey, Santa Fe Springs, Lynwood, Bell Gardens, Paramount, La Mirada. TEXAS: San Antonio (66.2% interest), Laredo (66.2% interest). ARIZONA: Yuma (66.2% interest). CALIFORNIA: El Centro (66.2% interest).

RANK 73

Sammons
Dallas

SAMMONS COMMUNICATIONS
500 S. Ervay, Ste. 200A
Dallas, Texas 75201
(214) 742-9828
Corporate Personnel
James N. Whitson, president-ceo
MEDIA OPERATIONS
Cable/video
SYSTEMS: ALABAMA: Chambers Co., Lanett, Littleville, Moulton, Russellville, Tuskegee, Valley. CALIFORNIA: Burbank, Ceres, Glendale, La Canada, La Crescenta, Merced Co., Stanislaus Co., Sylmar, Turlock, Whittier. CONNECTICUT: Middlebury, Plymouth, Prospect, Waterbury, Wolcott. FLORIDA: Live Oak. GEORGIA: Pine Mountain (town and unincorporated areas), Troup Co., West Point. ILLINOIS: Bruce, Dwight, Eagle, Jacksonville, Kangley, Marseilles, Morgan Co., Naplate, Ottawa, Otter Creek, Pontiac, Reading, South Jacksonville, Streator. INDIANA: Logansport. IOWA: Estherville, Graettinger, Emmet Co. KENTUCKY: Middlesboro. LOUISIANA: Vidalia. MISSISSIPPI: Adams Co., Brookhaven, Escatawpa, Gautier, Jackson Co., Magnolia, McComb (city and county), Moss Point, Natchez, Pascagoula, Summit. MISSOURI: Neosho, Seneca. NEW JERSEY: Absecon, Alpha, Bloomsbury, Boonton (town and township), Chatham, Denville, Dover, East Hanover, Egg Harbor, Florham Park, Galloway, Greenwich (township), Hanover, Harmony Township, Hopatcong, Jefferson (township), Linwood, Madison, Mine Hill, Montville, Morris, Morris Plains, Morristown, Mount Arlington, Mount Olive Township, Mountain Lakes, Netcong, Parsippany-Troy Hills, Phillipsburg, Pleasantville, Randolph, Rockaway Township, Rockaway (township), Roxbury Township, Somers Point, Stanhope, Victory Gardens (borough), Vineland, Wharton. NEW YORK: Amity, Andover (town and village), Belmont, Benton, Cortland, Cortlandville, East Hampton (town and village), Gloversville, Homer (town and village), Jerusalem, Johnstown, Mayfield (town and village), McGraw, Milo, Penn Yan, Scio, Wellsville (town and village), Willing. NORTH CAROLINA: Black Mountain, Buncombe Co., Buncombe Co. areas, Canton, Clyde, Hazelwood, Haywood Co., Lake Junealuska, Maggie Valley, Montreat, Waynesville. OKLAHOMA: Clinton, Elk City. PENNSYLVANIA: Bansalem, Bethlehem, Biglerville Borough, Butler Township, Carroll Township, Camp Hill, Cornplanter, Cranberry, Cumberland Township, Dauphin, East Pennsboro, Easton, Emmaus, Fairview Township, Falls Township, Fleetwood, Forks Township, Gettysburg Borough, Glendon, Hampden, Highspire, Harrisburg, Lemoyne, Lower Allen Township, Lower Macungie, Lower Mount Bethel, Lower Paxton, Lower Southampton, Lower Swatara, Macungie, Maiden Creek, Marysville, Mechanicsburg Borough, Middle Paxton, Middleton, Monroe Township, Morrisville Borough, New Cumberland Army Depot, Oakland Township, Oil City, Palmer, Paxtang, Penbrook, Plainfield, Richmond, Rouseville Borough, Royalton, Ruscombmanor, Salisbury Township, Shiremanstown Borough, Silver Spring Township, Steelton, Stockertown, Straban Township, Sugarcreek Borough, Susquehanna, Swatara, Tulleytown, Borough, Upper Allen Township, Upper Milford, Upper Southampton, Warminster, West Easton, West Fairview, West Hanover, Williams, Wilson, Wormleysburg. TENNESSEE: Bristol, Carter Co., Cocke Co., Elizabethton, Hamblen Co., Johnson City, Morristown, Newport, Sullivan Co., Washington Co. TEXAS: Benbrook, Blue Mound, Borger, Burleson, Cleburne, Corinth, Crowley, Denton, Dumas, Duncanville, Edgecliff Village, Everman, Forest Hill, Fort Worth, Fritch, Haltom City, Hickory Creek, Highland Park, Hurst, Keller, Kennedale, Lake Dallas, Lake Worth, Mansfield, McLean, Midlothian, North Richland Hills, Pampa, Panhandle, Richland Hills, Saginaw, Stinnett, Sunray, University Park, Watauga, Waxahachie, Weatherford, Westover Hills, White Deer, White Settlement. VIRGINIA: Alleghany Co., Bristol, Clifton Forge, Colonial Heights, Covington, Fort Lee, Iron Gate, Petersburg, Washington Co. WASHINGTON: Adams Co., Ephrata, Grant Co., Moses Lake, Othello, Soap Lake.

RANK 70

Seattle Times
Seattle

SEATTLE TIMES CO.
Fairview Ave. N. & John
Seattle, Wash. 98111
(206) 464-2111
Corporate Personnel
Frank A. Blethen, ceo-publisher
MEDIA PROPERTIES
Newspapers
WASHINGTON: *Seattle Times, Walla Walla Union-Bulletin.*

RANK 96

Stauffer
Topeka, Kan.

STAUFFER COMMUNICATIONS
516 Jefferson
Topeka, Kan. 66607
(913) 295-1111
Corporate Personnel
Stanley H. Stauffer, chmn
John H. Stauffer, president
Kenneth C. Bronson, vp-daily newspapers
Gerald N. Holley, vp-broadcasting
Grit Publishing
208 W. 3rd
Williamsport, Pa. 17701
1-800-233-8455
Corporate Personnel
E. Van Anderson, vp-National Media
MEDIA PROPERTIES
Broadcasting
TV: WIBW-TV, Topeka, Kan.; KMIZ-TV, Columbus, Ohio; KCOY-TV, Santa Maria, Calif.; KTVS-TV, Sterling, Colo.; KSTF-TV, Scottsbluff, Neb.; KGWC-TV, Casper, Wyo. Satellites: KOWY-TV, Lander Riverton, Wyo., KWWY-TV, Rock Springs, Wyo.; KGWN-TV, Cheyenne, Wyo.
RADIO: WIBW (AM, FM), Topeka, Kan.; KGNC (AM, FM), Amarillo, Texas; KRNT/KRNQ, Des Moines, Iowa; KGFF, Shawnee, Okla.; Kansas City Royals Radio Network; Kansas Information Network; Kansas Agricultural Network.
Cable/video
CHANNELS: Kansas Agriculture Network (Topeka), Kansas Information Network (Topeka).
Magazines
KANSAS: *Capper's Weekly* (Topeka).
PENNSYLVANIA: *Grit* (Williamsport).
Newspapers
COLORADO: *Glenwood Post*. FLORIDA: *Daily Highlander* (Lake Wales). KANSAS: *Arkansas City Traveler, Newton Kansan, Pittsburg Morning Sun, Topeka Capital-Journal*. MICHIGAN: *Hinsdale Daily News, Holland Sentinel*. MINNESOTA: *Brainerd Daily Dispatch*. MISSOURI: *Blue Spring Examiner, Hannibal Courier-Post, Independence Examiner*. NEBRASKA: *Beatrice Daily Sun, Grand Island Independent, York News-Times*. OKLAHOMA: *Daily Ardmoreite, Shawnee News-Star*. SOUTH DAKOTA: *Brookings Register, Yankton Daily Press & Dakotan*. TENNESSEE: *Oak Ridger*.
Newspapers (non-dailies)
FLORIDA: *Lake Wales Shopper*. PENNSYLVANIA: *East Lycoming County Shopper* (Williamsport).
Other media operations
Grit Printing, Grit Commercial Printing.
OTHER OPERATIONS
Communications & Signaling, Stauffer Media Systems, Computer Patch, Stauffer's Equipment & Supply Co., Capper's Insurance Service, Capper's Travel and Tours.

RANK 84

Telecable
Norfolk, Va.

TELECABLE CORPORATION
740 Duke Street
Norfolk, Va. 23510
(804) 624-5000

Corporate Personnel
Frank Batten, chmn

MEDIA PROPERTIES
Cable/video
SYSTEMS: ALABAMA: Auburn, Decatur, Selma. FLORIDA: Margate. GEORGIA: Columbus. ILLINOIS: Bloomington. INDIANA: Kokomo. KANSAS: Overland Park. KENTUCKY: Lexington, Radcliff. MISSOURI: Springfield. NORTH CAROLINA: Roanoke Rapids. SOUTH CAROLINA: Greenville, Spartanburg. TENNESSEE: Cleveland. TEXAS: Arlington, Plano, Richardson. VIRGINIA: Wytheville. WEST VIRGINIA: Beckley, Princeton. WISCONSIN: Racine.

RANK 65

3M
St. Paul, Minn.

3M
3M Center
St. Paul, Minn. 55144-1000
(612) 733-1110
Corporate Personnel
Allen F. Jacobson, president-U.S. operations

3M National Advertising Co.
6850 S. Harlem Ave.
Bedford Park, Ill. 60501
(312) 496-6500
Corporate Personnel
Tom Devine, mktg operations mgr

MEDIA PROPERTIES
Outdoor
27,000 painted bulletins of standard, highway and expressway sizes in 80 markets. Exclusive contracts with 750 U.S. shopping malls for in-mall display.

RANK 85

Times Journal
Springfield, Va.

TIMES JOURNAL CO.
6883 Commercial Drive
Springfield, Va. 22159
(703) 750-2000

Corporate Personnel
William F. Donnelly, ceo

MEDIA PROPERTIES
Magazines
Military Market (trade magazine).
Newspapers
MARYLAND: *Montgomery Journal, Prince Georges Journal.* VIRGINIA: *Alexandria Journal, Arlington Journal, Fairfax Journal.*
Newspapers (non-dailies)
NATIONAL: *Air Force Times, Army Times, Defense News, Federal Times, Navy Times.* CALIFORNIA: *Coast Dispatch, Carlsbad Journal, Del Mar Surfcomber, Rancho Santa Fe Times.*

Other media operations
Times Journal Printing Co., Times Journal Telemarketing Co.

RANK 69

Times Publishing
St. Petersburg, Fla.

TIMES PUBLISHING CO.
490 First Ave. South
St. Petersburg, Fla. 33701
(813) 893-8111
Corporate Personnel
Andrew Barnes, president

MEDIA PROPERTIES
Newspaper
St. Petersburg Times.
Magazines
Florida Trend; Georgia Trend; Arizona Trend (startup September 1986).
Other media operations
"Congressional Quarterly," Editorial Research Reports; Modern Graphic Arts commercial printer.

RANK 66

United Cable
Denver

UNITED CABLE TELEVISION
Denver Technological Center
4700 S. Syracuse Parkway
Denver, Colo. 80237
(303) 779-5999
Corporate Personnel
Fred A. Vierra, president-coo

MEDIA PROPERTIES
Cable/video
CHANNELS: Fashion Channel.
SYSTEMS: ARIZONA: Scottsdale. CALIFORNIA: Alameda, Cupertino, East San Fernando Valley, Foster City, Hacienda Heights/S. Whittier/La Puente, Hayward, San Leandro, San Lorenzo. COLORADO: Denver suburbs, Grand Junction. CONNECTICUT: Hartford/Plainville, Vernon. IDAHO: Boise. ILLINOIS: Carpentersville, Effingham, Galesburg, Mendota, Monmouth, Peru. INDIANA: Hammond. LOUISIANA: Bossier City. MARYLAND: Annapolis, Baltimore, Eastern Shore, Lexington Park. MICHIGAN: East Lansing/Meridian, Lincoln Park/Woodhaven, Oakland County/Orion. MINNESOTA: Chaska, Shakopee. NEBRASKA: Bellevue/Tri-Cities/Lavista. NEW MEXICO: Gallup, Santa Fe. OKLAHOMA: Tulsa. TEXAS: Abilene, Anson, Hamlin, Perryton, Rotan, Sweetwater, Tyler/Jacksonville. UTAH: Moab. WYOMING: Casper.
OTHER OPERATIONS
United Paging Corp.

RANK 83

U.S. News
Washington

U.S. NEWS & WORLD REPORT
2400 N Street N.W.
Washington, D.C. 20037
(202) 955-2000
Corporate Personnel
Mortimer Zuckerman, chmn, editor-in-chief
Dick Thompson, publisher
Robin Johnson, publisher, *Atlantic*

MEDIA PROPERTIES
Magazines
Atlantic, U.S. News & World Report.
Newsletter
U.S. News Washington Business Report.
OTHER OPERATIONS
Publishers Phototype International.

RANK 77

Working Woman
New York

WORKING WOMAN-MCCALL'S GROUP
230 Park Ave.
New York, N.Y. 10169
(212) 551-9500
Corporate Personnel
Dale Lange, chmn-publisher
MEDIA PROPERTIES
Magazines
Baby!, McCall's, Working Mother, Working Mother Digest, Working Woman.

RANK 71

Ziff
New York

ZIFF COMMUNICATIONS
One Park Ave.
New York, N.Y. 10016
(212) 503-3500
Corporate Personnel
Phillip B. Korsant, chmn
Kenneth Koppel, president, Ziff-Davis
MEDIA PROPERTIES
Magazines
A+ Data Sources, Digital Review, Government Computer News, Macuser, PC, PC Week, PC Tech Journal, Unique Homes.
Other media operations
Computer Intelligence (La Jolla, Calif.); Information Access Co. (Belmont, Calif.); Information Marketing International (Oak Park, Mich.); Management Contents (Northbrook, Ill.); Strategic Information (Boston).

Publicly held leading media companies by return on sales

Rank 86	Rank 85	Company	% return on sales 1986	% return on sales 1985	% chng	Net income 1986	Net income 1985	% chng	Total revenues 1986	Total revenues 1985	% chng	Media revenues 1986	Media revenues 1985	% chng
1	1	LIN Broadcasting	33.8	20.9	61.7	$66.0	$36.0	83.3	$195.0	$172.0	13.4	$154.0	$142.0	8.5
2	2	Thomson Newspapers	19.4	18.4	5.8	145.0	127.0	14.2	746.0	691.0	8.0	412.0	378.0	9.0
3	—	Stauffer Communications	17.3	58.9	(70.7)	20.4	6.7	204.4	118.2	113.7	4.0	112.4	108.4	3.7
4	18	Affiliated Publications	16.5	8.8	86.6	66.1	31.0	113.5	401.1	350.7	14.4	399.0	349.4	14.2
5	6	Dow Jones & Co.	16.1	13.4	20.8	183.0	139.0	31.7	1,135.0	1,041.0	9.0	1,078.0	978.0	10.2
6	4	Lee Enterprises	14.8	14.9	(0.8)	32.6	30.7	6.1	220.9	206.6	6.9	203.3	190.6	6.7
7	28	Tribune Co.	14.4	6.4	125.9	292.9	123.8	136.6	2,029.8	1,938.0	4.7	1,775.7	1,684.0	5.4
8	21	Times Mirror Co.	13.8	8.0	72.8	408.0	237.0	72.2	2,948.0	2,959.0	(0.4)	2,245.0	2,172.0	3.4
9	5	Park Communications	11.8	14.5	(18.7)	14.9	15.2	(2.0)	126.6	105.0	20.6	126.6	105.0	20.6
10	—	TCI	11.2	1.8	539.7	72.3	10.1	615.8	645.7	577.0	11.9	645.7	577.0	11.9
11	10	Dun & Bradstreet Corp.	10.9	10.6	2.6	340.0	295.0	15.3	3,114.0	2,772.0	12.3	1,932.0	1,718.0	12.5
12	—	Capital Cities/ABC	10.9	N/A	N/A	447.7	N/A	N/A	4,124.4	N/A	N/A	4,124.4	4,068.7	1.3
13	11	Journal Communications	10.7	10.6	1.5	38.7	35.8	8.1	360.8	338.7	6.5	228.7	216.0	5.9
14	—	Home Shopping Network	10.6	N/A	N/A	17.1	N/A	N/A	160.2	N/A	N/A	160.2	N/A	N/A
15	35	Time Inc.	10.0	5.9	70.1	376.0	200.0	88.0	3,762.0	3,404.0	10.5	3,099.0	2,852.0	8.7
16	9	Gannett Co.	9.9	11.5	(14.0)	276.4	253.0	9.1	2,801.0	2,209.0	26.8	2,727.0	2,153.0	26.7
17	12	McGraw-Hill	9.8	9.9	(1.2)	154.0	147.4	4.5	1,576.8	1,491.2	5.7	1,089.1	1,030.7	5.7
18	—	3M	9.1	8.5	7.0	779.0	664.0	17.3	8,602.0	7,846.0	9.6	197.0	176.0	11.9
19	—	Chicago Sun-Times Co.	8.9	4.5	97.5	20.0	9.0	122.2	225.0	200.0	12.5	225.0	200.0	12.5
20	17	Meredith Corp.	8.9	9.0	(1.6)	47.2	42.7	10.5	533.4	474.9	12.3	390.7	356.2	9.7
21	22	Cowles Media Co.	8.8	8.0	9.8	22.5	19.2	17.2	256.8	240.6	6.7	256.8	240.6	6.7
22	19	New York Times Co.	8.4	8.3	1.3	132.2	116.3	13.7	1,564.7	1,393.8	12.3	1,564.7	1,393.8	12.3
23	20	Freedom Newspapers	8.4	8.0	5.0	30.0	26.0	15.4	357.0	325.0	9.8	357.0	325.0	9.8
24	15	Washington Post Co.	8.2	9.5	(12.9)	100.0	102.0	(2.0)	1,215.0	1,079.0	12.6	1,162.0	1,037.0	12.1
25	43	CBS Inc.	7.9	0.6	1,200.7	375.0	27.0	1,288.9	4,754.0	4,452.0	6.8	3,224.0	3,192.0	1.0
26	23	Knight-Ridder Newspapers	7.3	7.7	(4.5)	140.0	132.7	5.5	1,910.7	1,729.6	10.5	1,879.6	1,700.1	10.6
27	—	RKO General	7.0	1.7	305.0	31.0	7.0	342.9	444.0	406.0	9.4	239.0	213.0	12.2
28	37	Westinghouse Electric Corp.	6.8	5.7	20.7	732.0	605.0	21.0	10,730.0	10,700.0	0.3	839.0	1,069.0	(21.5)
29	—	General Electric Co.	6.8	7.8	(12.9)	2,492.0	2,277.0	9.4	36,752.0	29,252.0	25.6	2,965.0	2,647.5	12.0
30	14	Chris-Craft Industries	6.6	9.6	(31.8)	14.7	18.3	(19.7)	224.0	190.3	17.7	199.8	168.3	18.7
31	3	Warner Communications	6.5	8.7	(25.2)	186.0	195.0	(4.6)	2,848.0	2,234.0	27.5	360.0	331.0	8.8
32	—	News Corp. Ltd.	6.4	3.9	62.5	169.9	74.4	128.4	2,670.0	1,900.0	40.5	841.3	584.0	44.1
33	30	National Geographic Society	6.2	6.2	0.6	23.0	22.0	4.5	370.0	356.0	3.9	219.0	220.0	(0.5)
34	33	Maclean Hunter Ltd.	6.0	6.1	(1.5)	50.2	43.0	16.6	834.4	704.8	18.4	270.1	258.0	4.7
35	13	Berkshire Hathaway	6.0	9.9	(39.6)	131.5	93.0	41.4	2,200.0	940.0	134.0	114.0	108.0	5.6
36	25	Macromedia Inc.	5.9	7.4	(20.9)	9.0	9.0	0.0	153.0	121.0	26.4	152.0	120.0	26.7
37	29	Int'l Thomson Organisation	5.7	6.3	(10.1)	143.0	164.0	(12.8)	2,530.0	2,609.0	(3.0)	549.0	560.0	(2.0)
38	39	Harcourt Brace Jovanovich	5.4	5.1	6.2	70.5	50.5	39.4	1,300.1	990.5	31.3	164.8	137.0	20.3
39	32	A.H. Belo Corp.	5.1	6.2	(17.3)	20.3	23.8	(14.7)	397.2	385.2	3.1	397.2	385.2	3.1
40	24	Pulitzer Publishing Co.	5.0	7.4	(32.2)	16.4	20.0	(18.0)	329.0	272.0	21.0	329.0	272.0	21.0
41		Pittway Corp.	4.7	5.7	(17.0)	27.6	31.1	(11.3)	585.7	548.0	6.9	101.4	98.0	3.5
42	31	United Cable Television Corp.	4.5	7.4	(38.4)	8.9	12.5	(28.6)	195.8	169.0	15.8	195.8	169.0	15.8
43	36	Media General	2.7	5.7	(53.0)	17.0	33.0	(48.5)	635.0	579.0	9.7	381.0	346.0	10.1
44	16	Viacom International	(1.1)	8.3	(112.9)	(9.9)	37.0	(126.6)	919.0	444.0	107.0	855.0	376.0	127.4
45	27	Multimedia Inc.	(1.3)	6.5	(120.5)	(5.0)	22.0	(122.7)	372.0	336.0	10.7	372.0	336.0	10.7
46	46	Rogers Communications	(8.1)	(6.3)	28.6	(24.0)	(16.0)	50.0	296.0	255.0	16.1	125.0	119.0	5.0
47	38	Heritage Communications	(8.4)	8.3	(200.7)	(9.9)	8.0	(223.8)	118.0	96.0	22.9	100.1	67.9	47.5
48	—	Advo-System	(9.6)	(3.9)	143.6	(44.9)	(17.5)	156.6	467.1	443.5	5.3	467.1	443.5	5.3
49	7	Taft Broadcasting Co.	(10.6)	4.1	(358.9)	(53.1)	19.4	(373.7)	499.8	472.8	5.7	281.1	283.4	(0.8)
50	—	Cablevision Systems Corp.	(10.7)	(35.2)	(69.6)	(16.1)	(48.2)	(66.5)	150.8	137.0	10.1	150.8	137.0	10.1
51	41	Playboy Enterprises	(34.2)	35.3	(196.9)	(62.2)	67.0	(192.8)	182.0	190.0	(4.2)	168.0	173.0	(2.9)
52	44	Turner Broadcasting System	(35.1)	0.3	(12,816.9)	(200.0)	1.0	(20,100.0)	570.4	362.7	57.3	379.4	316.3	20.0

NOTE: Dollars in millions
Source: Sales and income figures company sources

Shining sun days in Cannes

Blue skies and conviviality in Cannes. Enjoying themselves at this gathering of adfolk (top left) are Jane Feinberg and husband Bob Feinberg (right), exec VP-creative director, Bozell, Jacobs, Kenyon & Eckhardt, New York, and Bill Appelman (center), senior creative director, BJK&E. Lunching at the beach (right) are Sean Fitzpatrick, exec VP-creative director, Campbell-Ewald Co., Warren, Mich., and wife Sue Ellen. Mr. Fitzpatrick also was one of the U.S. judges.
Sightseeing (bottom left) on the beach of the Carlton Hotel are (from left) Sally Minard, Karen McIver and Joanna Patton, founders of Lotas, Minard, Patton, McIver, New York, with, amongst them, Alban Lloyd, director, European operations, Saatchi & Saatchi Compton Worldwide. His wife, Rosemarie, is next to Ms. Patton. Next to Mrs. Lloyd, who herself works at S&SCW in London as account director and who is on the board of directors, is Judy Lotas, another LMPM founder.

Bird in hand is Grand Prix winner

By CLAIRE WILSON

CANNES, FRANCE—Just about anybody in advertising would agree that cheap, fast, good commercial production is tough to get.

But cheap, fast and a Grand Prix winner in Cannes?

That's exactly how Yasumichi Uwagawa, 39, the creative supervisor for Dentsu's regional office in Osaka, Japan, describes his commercial, "The Illustrated Guide to Animals."

The commercial, for an encyclopedia of the same name, published by Heibonsha Publishing, won the top prize at the International Advertising Awards Film Festival here (AA, June 22).

Even though no U.S. agency brought home the Grand Prix this year, American agencies did collect seven Gold Lions, 13 Silver Lions and 15 Bronze Lions.

Ten Gold, four Silver and nine Bronze Lions went to the U.K., while Brazil received three Gold, three Silver and five Bronze. France won two Gold, 13 Silver and seven Bronze Lions.

The rest of the gold, silver and bronze prizes were divided among Argentina, Australia, Belgium, Denmark, Germany, Holland, Israel, New Zealand, Sweden and Spain.

Japanese agencies also took four gold and three awards each in the silver and bronze categories.

But of all the Cannes winners, the top prize-winning commercial from Japan probably was the least costly to produce.

"Two days of shooting that didn't cost much at all. The whole thing might have come to about $100,000," said Mr. Uwagawa, who also was the creative director for Dentsu's Gold Lion-winning robot spot for National Electric Co. two years ago. "Besides, we didn't have the budget to go to Africa for real animals anyway."

While prizes in recent years have gone to U.S. agencies for strong ideas as well as compelling productions, it was Mr. Uwagawa's technique that most said won the prize for Dentsu this year.

The 60-second spot featured a veritable mini-herd of animals fashioned from the hands of Mario Mariotti, an artist and performer from Milan.

Mr. Mariotti's hands and arms were painted to depict jungle beasts, from birds to zebras and serpents to swans.

It took up to two hours for Mr. Mariotti to put on the makeup for the giraffe, while other animals took less time to create, using paint and an assortment of plastic eyes.

The team for "The Illustrated Guide to Animals" spot, which broke in April 1986, included Hiroshi Matzuzaki, head of Dentsu's creative group; Mr. Uwagawa; producer Nobuo Hirata; and art director Azuma Uchida. The Proceed Co., Tokyo, handled the production.

"Animals" is quite a departure from the Grand Prix winners of the last three years, which were American. These winning spots were built around well-developed and elaborately produced ideas.

Last year's winner was Boston-based Hill, Holliday, Connors, Cosmopulos' commercial for John Hancock Mutual Life Insurance Co.

HHCC also won the Agency of the Year award from ADVERTISING AGE last year (for 1985).

That spot projected a strong idea with a production somewhat less elaborate than the previous two years' winners, which were New York-based BBDO's "Archeology" spot for Pepsi-Cola in 1985 and Los Angeles-based Chiat/Day's "1984" spot for Apple Computer.

Mr. Uwagawa said it's the simplicity of a commercial like "Animals" that holds the appeal for him. "It was easy to understand for parents and children," said Mr. Uwagawa, who has two children. "It attracts the viewers without shouting."

Dentsu's winning spot features hands that look like animals.

"Animals" entertains and hopes to get children or their parents to want the encyclopedia, he said.

In his 15 years at Dentsu working on accounts including NEC, Panasonic and Shiseido Cosmetics, Mr. Uwagawa said he has come to prefer a positive style in ads.

"I love to put a kind of dream into the commercial," he said, "to make the spot some kind of love letter from the company or the client, something that gives a positive twist."

Mr. Uwagawa discovered Mr. Mariotti's work when he saw a series of volumes about the artist in a Los Angeles bookstore. The books showed Mr. Mariotti's range of characterizations with made-up hands.

The two worked together on a Panasonic spot, where Mr. Mariotti's hands were painted to depict musicians. "Imagine all these," Mr. Uwagawa said, gesturing with his fingers and humming Vivaldi's "Four Seasons"—the music for the spot—"imagine all these dressed up in little black ties and cummerbunds like orchestra musicians."

Such imagery is the most popular and successful kind of Japanese advertising, especially when teamed with great music, Mr. Uwagawa said.

He can sing all the verses of "Call Me Irresponsible," the sound track he used for the NEC robot spot that won him the earlier Gold Lion. The sound track for "Animals," appropriately, is jungle music.

Mr. Uwagawa says the animals also were used as part of the print campaign. The choice of media was limited due to the low budget and the high cost of airtime in Japan, he said.

He added that he probably will not use Mr. Mariotti again in commercials, to keep the technique special. "It would lose its freshness as a unique idea," he said.

The complete list of Gold Lion winners follows:

Boase Massimi Pollitt (U.K.) for *The Guardian*—"Points of View."
BBDO Worldwide, New York (U.S.) for Apple Computer—"Red Eye," "Going to Work," "The Report."
Collett Dickenson Pearce (U.K.) for Gallaher—"Photobooth," "Fancy Dress Party."
Young & Rubicam Italia (Italy) for Barilla Pasta—"Barilla Rome."
TBWA (France) for Samsonite—"Les Claquettes."
Saatchi & Saatchi Compton (U.K.) for Index on Censorship—"The Censor."
Delaney Fletcher Delaney (U.K.) for TUC—"Babies."
Yellowhammer (U.K.) for Greenpeace—"Meltdown."
Virgin Records (U.K.) for music video—"Sledgehammer."
Yellowhammer (U.K.) for Barclays Bank

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Della Femina in the pit

Judges see spots before their eyes

By JERRY DELLA FEMINA

CANNES, FRANCE—Outside, it was a topless festival. Inside, it was a bottomless pit. And that sums up the 1987 International Advertising Awards Film Festival in Cannes.

Try these commercial "gems" on for size:

- A commercial that shows 10 men standing in front of urinals, singing (mercifully, this was shot from behind . . .). What could they possibly be selling? What else but a Brazilian beer? Don't ask me what the message was—I averted my eyes at the end.
- Then there was the pasta commercial featuring the divorced Italian father who was lamenting his failed marriage. When he takes his young daughter home, his ex-wife cooks pasta and, of course, they are reunited over a steaming bowl of the stuff. If only my life were that simple.
- Then we had the Norwegian commercial featuring a young man in a sauna who drops a newspaper over his "private parts." The purpose, I guess, was to get people in Norway to see this newspaper as being indispensable. In this case, it was.
- And will I ever forget the graphic Japanese commercial for hemorrhoids that was as painful to look at as any commercial I have ever seen? Once again, I averted my eyes (this time I also covered my ears).

J. Della Femina

And *these* were some of the *winners*. The losers? Don't ask.

The judges at the Cannes festival looked at 2,900 commercials. It was like searching for truffles. Every once in a while you found one and it was delicious, but you had to dig through an awful lot of dirt to get there.

The advertising I saw at Cannes (for the most part) was as flimsy as

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ADWATCH

Pepsi's 'Choice' keeps top spot in ad awareness

By SCOTT HUME

Pepsi-Cola's "Choice of a New Generation" campaign remained king of the hill in consumer awareness in May, after gaining that top spot in April.

The advertising for Pepsi was mentioned most frequently when 1,000 adults were asked to name the first advertising they recalled having seen, heard or read in the previous 30 days.

The adWatch survey is conducted every month as a joint project of Advertising Age and SRI Research Center, Lincoln, Neb.

The older generation also was represented in the survey as E&J Gallo Winery's Bartles & Jaymes wine cooler again made the top 10 list, in the No. 9 slot.

New advertising for the brand promises that Ed Jaymes will be skywriting "Ed's Red" this summer to introduce the "Red" flavor.

B&J's greatest support came from consumers not in the 18-to-24 age group but from those ages 55 to 64.

One-fourth of those who said B&J advertising was the first to come to mind were in this older age group, while one-fifth were from the younger group.

When respondents were specifically asked to name the first wine or wine cooler advertising that came to mind, B&J did even better.

In May it was named first by 12.8% of the sample—good enough for first place—compared with an 8.8% share of first mentions for third place in the April survey.

Among the top 10 in overall (unaided) awareness, Coca-Cola stayed close behind Pepsi in second place, while the dancing California raisins fell back to fourth place from second in the April survey.

Making a surprisingly strong showing in the May survey was the Miller Brewing Co. tandem of Miller and Miller Lite.

Its latest "Lite All-Stars" reunion commercial, featuring an alien spacecraft unloading a crew of Rodney Dangerfield look-alikes, and its new, tougher "As real as it gets" pitch for Miller Genuine Draft, seems to have registered with male viewers, who comprised 74% of respondents for whom Miller came to mind first.

Women were more apt to recall General Foods Corp.'s Jell-O, as that brand's advertising made one of its infrequent appearances among the top 10 last month.

Only 11% of those for whom Jell-O was the top ad were male.

McDonald's Corp.'s advertising, ranked No. 8 last month, also benefited from strong recall by women, who made up 79% of those who said the "Golden Arches" first came to mind from all the advertising they had seen, heard or read.

The appeal of both Pepsi's and Coca-Cola's advertising is fairly evenly split between men and women. The male/female ratio for those who named Pepsi the most memorable advertising was 46-to-54; for those for whom Coca-Cola first came to mind it was 48-to-52.

Pepsi's ascendancy was most obvious when consumers specifically were asked to name the first soft-drink advertising that came to mind. In May, 36.3% named Pepsi, the greatest share of first mentions it has received in the past three years.

Coca-Cola last month was named by 30.9% of the sample, with 7UP third with 2.5%.

Among other highlights from the May survey:

- IBM Corp. in the **computer** category maintained the No. 1 ranking it first established in the April survey. It received 24.3% of first mentions last month, while Apple remained No. 2 with 21.6%. Radio Shack/Tandy was third with 2%.
- Burger King Corp. last month lost the slight gain it had registered in the **fast-food** category in the April survey. Its "Best food for fast times" advertising garnered 9.9% of first mentions, down from 14.2% the previous month. McDonald's retained its seemingly unassailable hold on first place with 41.9% of first mentions; Wendy's International was third with a 9.4% share.#

For more information or data, contact SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

AdWatch Survey of Commercial Awareness Top 10 in May

One thousand people were asked: Of all the advertising you have seen, heard or read in the past 30 days, which advertisement first comes to mind? Source: SRI Research Center Inc., Lincoln, Neb.

Rank 5/87	Rank 4/87	Advertiser	Agency
1	1	Pepsi-Cola	BBDO Worldwide
2	3	Coca-Cola	McCann-Erickson
3	7	Miller/Miller Lite	J. Walter Thompson/Backer & Spielvogel
4	2	California Raisins	Foote, Cone & Belding
5	5	Ford	J. Walter Thompson
6	6	Budweiser/Bud Light	D'Arcy Masius Benton & Bowles/DDB Needham
7	8	Chevrolet	Campbell-Ewald
8	4	McDonald's	Leo Burnett
9	—	Bartles & Jaymes	Hal Riney & Partners
10	—	Jell-O	Young & Rubicam

Cannes

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—"Interview," "Videoteller," "Queue."

Livingston & Co. (U.S.) for Alaska Airlines—"What's Next?" "Taxi," "Restaurant Service."

Dentsu (Japan) for SmithKline & French—"Pray."

New Deal (Norway) for Oslo Sporveier—"The Punk."

Collett Dickenson Pearce (U.K.) for Radio Rentals—"Dodgy Duo," "Sound Barrier."

W.B. Doner & Co. (U.S.) for Little Caesar's Enterprises—"The Wisdom," "The Russian."

De Facto (Sweden) for Heinz—"Chateau Heinz 1986."

W/GGK (Brazil) for Assugrin—"Physical Exercises."

McConnaughy Barocci Brown (U.S.) for Twin Oak Products—"Ed."

Saatchi & Saatchi Compton (U.K.) for Pilkington—"Bulletproof."

Hakuhodo (Japan) for Matsushita Electric Industrial—"Lift Up the Sumo Wrestler."

RCP/Saatchi & Saatchi Compton (Spain) for Menuco—"Rugby."

Equateur (France) for Parfums Cacharel—"Loulou."

Team/BBDO (Germany) for Audi—"Audi Procom-Tem."

Della Femina, Travisano & Partners (U.S.) for American Isuzu Motors—"Pinnacle," "Mother."

W/GGK (Brazil) for Valisere—"First Brassiere."

Bartle Bogle Hegarty (U.K.) for Levi Strauss—"Parting."

DPZ Propaganda (Brazil) for Kaiser beer—"Bathroom I."

Hakuhodo (Japan) for Suntory Limited—"Reiko Ohara: Wedding Anniversary."

Dentsu (Japan) for Takara Shuzo Co.—"La Traviata."

BBDO Worldwide, New York (U.S.) for Pepsi-Cola Co.—"Mustang," "Apartment 10 G."

BBDO Worldwide, New York (U.S.) for Pepsi-Cola Co.—"Johnson: Baseball."

Strand & Lund (Norway) for Freia—"Dog I," "Dog II."

J. Walter Thompson Italia (Italy) for Sitia Yomo—"Aliemo II," "Pubblicita Telepatica."

RCP/Saatchi & Saatchi Compton (Spain) for Danone—"Let Me Try Again I," "Let Me Try Again II."#

Gold Lion winners at Cannes

The Gold Lion award is given for excellence in TV and cinema advertising. *Grand Prix winner. Source: Screenvision/SAWA

Country	'81	'82	'83	'84	'85	'86	'87	Total
Great Britain	7*	5	4	7	10	6	10	49
United States	1	0	2	7*	2*	8*	7	27
Brazil	3	4	4	1	1	1	3	17
France	1	3	0*	4	1	3	2	14
Japan	1	0*	2	1	3	2	4*	13
West Germany	2	1	1	0	0	2	1	7
Australia	0	2	1	1	0	0	0	4

Building success from 'peaks and valleys'

Hearst celebrates 100th

By STUART J. ELLIOTT

New York—The "peaks and valleys" of Hearst Corp.'s 100 years of communications history were commemorated here last week at a centennial gala.

More than 800 attended a dinner-dance at the Waldorf-Astoria Hotel June 22, from every field in which Hearst has holdings: books, business publishing, cable, magazines, newspapers, radio, syndication and TV.

"I'm sure if my father were alive today, he'd be proud," Hearst Corp. Chairman Randolph Hearst said of his father, William Randolph Hearst, who started the estimated $2 billion company in 1887.

"There isn't any company that has complete success at all times over 100 years," Mr. Hearst said. "There were peaks and valleys. In the '50s, when my father died, and the '60s, we had some tough times. After a while, we finally got ourselves together."

He credited that to Frank Bennack Jr., Hearst's president-ceo, and to Hearst's core employees.

Mr. Hearst also credited part of the company's success to its privately held status.

Hearst's centennial celebration "truly does deserve to be called historic," said Mr. Bennack, as William Randolph Hearst's "legacy has grown today to encompass more than 135 businesses with some 14,000 employees."

The longtime core of Hearst, its newspapers, provided the basis for remarks by New York Mayor Edward Koch and New York Gov. Mario Cuomo.

Gov. Cuomo reminisced about his days of growing up in the New York borough of Queens, reading "two great Hearst papers, the *Journal-American* and the *Mirror*," both of which folded in the '60s.

"Times have changed," said Gov. Cuomo, "and there are far fewer papers. . . . But the Hearst Corp. is still playing a crucial role. Despite all the changes, since I've moved to Albany [New York's state capital] I once again have two Hearst papers to read," the *Times-Union* and the *Knickerbocker News*.#

Della Femina

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the bathing suits on the beach. However, in the end, I believe we selected some great advertising (with the exception of the abovementioned), but there were some lessons that I learned.

First of all, we will be railroaded into something called "global marketing" but there will never be a "global creativity" in our time.

Sean Fitzpatrick, my fellow American judge and an intelligent, sensitive person, made a most eloquent plea to award the Phil Collins "Tonight Tonight" Michelob commercial a Gold Lion.

Then we voted.

The vote: the U.S., Canada and the U.K. for Michelob; the rest of the world for the urinal commercial.

The other judges were intelligent, sensitive and dedicated.

They simply live in a different world than we do and, until the U.S. learns to respect these people and their cultures, we will never do well in or even understand international competitions again.

The Grand Prix winner was from Japan. It was a simple, stunningly beautiful commercial that made all of the judges' jobs easy. It should be shown to everyone in this business who has come to believe that the only way you can produce a winning commercial is by spending half of your client's budget on production.

Japan is certainly the country to watch in future advertising competitions.

Up until 1987, Japan was a one-note winner—if you wanted a great battery commercial, you went to Japan.

This year, Japanese agencies' work for Shiseido in the cosmetics area and for Kirin in the beer category was sensational—and this seems to be just the tip of the iceberg.

The Japanese judge took notes on just about every one of the 2,900 spots we saw. He looked at the reel with the same glint in his eye and in the same manner that the Japanese looked at our electronics industry in the early 1950s.

(Then they decided to build their first transistor and you know what happened.)

For the most part, the entries from the U.S. were disappointing—one notable exception being the Michael J. Fox commercial for Pepsi, via BBDO Worldwide, which was by far the most popular American Gold Lion winner.

Many of this year's U.S. entries were either Sedelmaier or warmed-over Sedelmaier commercials.

If it wasn't Sedelmaier, it was Joe Pytka or a Pytka imitation.

Most of the Pytka commercials, if you look closely, are well-acted, intelligent versions of the old Procter & Gamble slice-of-life spots of the 1970s.

Where Sally used to tell Madge about how new Iceblue Secret has done wonders for her underarms, we now have Biff telling Troy about how his new Apple computer has done wonders for his budget forecast.

Mr. Pytka may be the first director to specialize in "masculine slice-of-life" commercials.

The work from the U.K. confirms my theory that the movie "Bladerunner" was the worst thing that has happened to the advertising business. Everything from England seems to be about the future or Ridley Scott's version of it; and if that's what the future is, it's indeed bleak.

All in all, it was an interesting experience and I feel this show was judged as fairly as any competition in the industry.#

Jerry Della Femina, chairman of Della Femina, Travisano & Partners, New York, was the president of the jury at the Cannes advertising film festival.